

REGISTERED OFFICE :  
6TH FLOOR, ARIA TOWERS, J. W. MARRIOTT,  
NEW DELHI AEROCITY, ASSET AREA 4,  
HOSPITALITY DISTRICT, NEAR IGI AIRPORT  
NEW DELHI 110 037  
TEL.: 011 46101210 FAX: 011 41597321  
CIN NO: L55101DL2007PLC157518  
WEBSITE: www.asianhotelswest.com

# ASIAN HOTELS (WEST) LIMITED

23<sup>rd</sup> July, 2019

<b>Manager</b> <b>Listing Department</b> <b>Bombay Stock Exchange</b> <b>Phiroze Jeejeebhoy Towers</b> <b>Dalal Street, Fort</b> <b>Mumbai – 400001</b> <b><u>Scrip Code: 533221</u></b>	<b>Manager</b> <b>Listing Department</b> <b>National Stock Exchange</b> <b>Exchange Plaza, Bandra Kurla Complex</b> <b>Bandra (East)</b> <b>Mumbai – 400051</b> <b><u>Scrip Code: AHLWEST</u></b>
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Ref: Intimation of Annual General Meeting and Book Closure.

## 1. 12<sup>th</sup> ANNUAL GENERAL MEETING

This is to inform you that the 12<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Saturday, 17<sup>th</sup> August, 2019 at 3.00 PM. at Mapple Emerald, NH8, Rajokri, New Delhi – 110038.

Pursuant to Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of the Annual Report along with Notice of the 12<sup>th</sup> Annual General Meeting of the Company for the Financial Year 2018-19.

The register of members and share transfer books of the Company will remain closed from Saturday, 10<sup>th</sup> August, 2019, till Saturday, 17<sup>th</sup> August, 2019, (both days inclusive) for the purpose of ascertaining entitlement of dividend.

## 2. SHAREHOLDERS' APPROVAL FOR FURTHER FUND RAISING

Pursuant to Regulation 29 (1) (d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we also hereby inform you that the Shareholders' approval is being sought in the aforesaid 12<sup>th</sup> AGM for further fund raising options as specified in the notice of the AGM.

Please take above on record.

For Asian Hotels (West) Ltd.

Vivek Jain

Company Secretary &  
Compliance Officer



OWNERS OF :



T W E L F T H

*Annual*

*Report*

*2018 - 19*

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A S I A N H O T E L S ( W E S T ) L I M I T E D

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**BOARD OF DIRECTORS**

Mr. Sushil Kumar Gupta	- Chairman and Managing Director
Mr. Sudhir Chamanlal Gupta	- Executive (Whole-time) Director
Mr. Sandeep Gupta	- Executive (Whole-time) Director
Mr. Raj Kumar Bhargava	- Independent Non Executive Director
Dr. Lalit Bhasin	- Independent Non Executive Director
Mr. Surinder Singh Kohli	- Independent Non Executive Director
Mr. Surendra Singh Bhandari	- Independent Non Executive Director
Mrs. Meeta Makhan	- Independent Non Executive Director

**CHIEF FINANCIAL OFFICER**

Mr. Rakesh Kumar Aggarwal

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Vivek Jain

**STATUTORY AUDITORS**

S. R. Batliboi & Co. LLP  
Chartered Accountants  
Golf View Corporate Tower-B  
Sector-42, Sector Road  
Gurugram-122 002, Harayana, India

**BANKER**

Yes Bank Limited

**REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT**

**CIN: L55101DL2007PLC157518**

6th Floor, Aria Towers,  
J.W. Marriott, New Delhi Aerocity,  
Asset Area 4, Hospitality District,  
Near IGI Airport, New Delhi - 110 037  
Phone : 91 11 4610 1210;  
Fax : 91 11 4159 7321;  
Website: [www.asianhotelswest.com](http://www.asianhotelswest.com)

**REGISTRAR & SHARE TRANSFER AGENTS**

Karvy Fintech Pvt. Ltd.  
Karvy House  
Karvy Selenium Tower-B,  
Plot No 31 & 32, Financial District,  
Nanankramguda, Serilingampally Mandal,  
Hyderabad -500032  
Tel No. : 040-23420815-24  
Fax No. : 040-23420814  
E Mail : [mailmanager@karvy.com](mailto:mailmanager@karvy.com)

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# ASIAN HOTELS (WEST) LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 12<sup>th</sup> Annual Report and Audited Accounts for the Financial Year ended on 31<sup>st</sup> March, 2019.

## FINANCIAL SUMMARY

(Rupees in Crores)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total Income (including other income)	159.42	152.32	458.91	400.73
Profit Before Tax	16.58	5.98	38.31	(9.58)
Provision for Taxation				
– Current Tax	4.59	2.17	4.59	2.17
– MAT Credit Entitlement	(0.38)	(0.28)	(0.38)	(0.28)
– Earlier year Tax	0.01	0.05	0.01	0.05
– Deferred Tax Charge (Credit)	(14.30)	(0.16)	(40.36)	(0.16)
Profit After Tax	26.66	4.20	74.45	(11.35)
– Other Comprehensive Income/(Loss)	(0.03)	0.19	0.02	(0.28)
Total Comprehensive Income/(Loss)	26.62	4.39	74.46	(11.63)

## REVIEW OF OPERATIONS/ COMPANY'S AFFAIR

The Total Income of the Company for the financial year under review was Rs.159.42 Crores as against Rs. 152.32 Crores for the previous financial year ended on 31<sup>st</sup> March, 2018. The profit before tax (after interest and depreciation) was Rs.16.58 Crores and total comprehensive income after tax was Rs. 26.62 Crores for the financial year ended on 31<sup>st</sup> March, 2019 as against Rs. 5.98 Crores and Rs. 4.39 Crores respectively for the previous year ended on 31<sup>st</sup> March, 2018.

During the year under review, Hotel Hyatt Regency Mumbai, has won various accolades. In June, 2018 one of the Restaurant's STAX has been awarded with the Best fine Dine Hotel Restaurant of the Year by Restaurants Awards 2018 and Best Italian Cuisines award from Travel + Leisure India Awards 2018 in August, 2018.

## DIVIDEND

The Board has recommended for approval of shareholders, a dividend of 10% (amounting to Rs. 1/- per Share) (Previous period dividend @10%) for the Financial Year ended 31<sup>st</sup> March, 2019 to be paid on 1,16,51,210 Equity Shares of the Company, aggregating a distribution of Rs.1.16 Crores (Previous period Rs. 1.14 Crores).

## CONSOLIDATED FINANCIAL STATEMENTS

As required by regulation 33 of the Listing Regulations, the Audited Consolidated Financial Statements together with the Auditors' Report thereon are annexed and form part of this Annual Report.

Your Company has prepared Consolidated Financial Statements in accordance with the applicable Accounting Standards. The Consolidated Financial Statements reflect the results of the Company and that of its Subsidiary Company. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiary are prepared in form AOC-1, which is annexed as **Annexure 1** herewith and forms a part of this report.

## SUBSIDIARY COMPANY

As on date, your Company has one Subsidiary Company - Aria Hotels and Consultancy Services Private Limited (ARIA). ARIA is the owner of 523 room's 5-Star deluxe hotel under the brand J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, New Delhi. During the year under review, Hotel JW Marriott, New Delhi has won various accolades. In December 2018, one of the restaurants – K3 of JW Marriott Hotel, was ranked among the top 15 restaurants in Asia by TripAdvisor -Travellers' Choice Awards and the Hotel was also announced winner of "Best Convention Hotel of the Year" and "Best Luxury Hotel of the Year" – by ET Now Stars of the Industry Awards.

ARIA is a material subsidiary of the Company. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy is available on the Company's website at [www.asianhotelswest.com/Policies](http://www.asianhotelswest.com/Policies).

## CAPITAL STRUCTURE

During the period under review, the Authorized Share Capital of the Company has been increased from Rs.25,00,00,000 (Rupees Twenty Five Crore) divided into 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each and 1,10,00,000 (One Crore Ten Lakhs) Preference Shares of Rs.10/- (Rupees Ten) each to Rs.40,00,00,000 (Rupees Forty Crores) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each and 1,50,00,000 (One Crore Fifty Lakhs) Preference shares of Rs.10/-(Rupees Ten) each, by creation of additional 1,10,00,000 (One Crore Ten Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each and 40,00,000 (Forty Lakhs) Preference shares of Rs.10/- (Rupees Ten) each.

# ASIAN HOTELS (WEST) LIMITED

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Further, the paid up Equity Share Capital of the Company has been increased from Rs. 11,45,83,030 to Rs. 11,65,12,100 after allotment of 1,92,907 equity shares. Paid up Preference Share Capital of the Company has been increased from Nil to Rs. 6,50,00,000 after allotment of 65,00,000 9% Non-Convertible Non-Cumulative Redeemable Preference Shares to promoters/non promoters on private placement basis after taking approval from shareholders in the 11th Annual General Meeting.

## INVESTMENT MADE DURING THE YEAR

The Company has acquired stake of IL&FS Group (1,34,44,659 Equity Shares and 1,72,53,975 Preference Shares) in Aria Hotels and Consultancy Services Private Limited' (ARIA), Subsidiary of the Company.

## DEBT

During the period under review the Company has taken additional loan of Rs.52 Crores (Overdraft Facility enhancing by Rs.17 Crores and Rs. 35 Crores as Lease Rental Discounting facility) from Yes Bank Limited. Total outstanding debt with Yes Bank Limited as on 31<sup>st</sup> March 2019 is Rs. 229.56 Crores. After adjustment of ancillary borrowing cost as per India Accounting Standards, the amount of outstanding debt is Rs. 223.64 Crores.

The above borrowings are within the powers of the Board of Directors of the Company approved by the shareholders of the Company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review Mr. Sunil Vasant Diwakar, Non-Executive Director of the Company has resigned from the Board of the Company w.e.f. 18<sup>th</sup> July, 2018.

In accordance with the requirement of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, Mr. Sushil Kumar Gupta, Chairman and Managing Director is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Sushil Kumar Gupta will be completing his present term as a Managing Director of the Company on 31<sup>st</sup> October, 2019 and Mr. Sudhir Gupta and Mr. Sandeep Gupta, Executive (Whole-Time) Directors of the Company will be completing their present term on 9<sup>th</sup> May, 2020.

Further, Ms. Meeta Makhan, Independent Director of the Company will be completing her present term on 31<sup>st</sup> March, 2020.

On the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on 21<sup>st</sup> May, 2019 subject to the approval of shareholders by special resolution, has re-appointed Mr. Sushil Kumar Gupta as Managing Director of the Company for a period of 5 years (effective 1<sup>st</sup> November, 2019 to 31<sup>st</sup> October, 2024) and Mr. Sudhir Gupta and Mr. Sandeep Gupta as Executive (Whole-time) Directors of the Company for a period of 5 years (effective from 10<sup>th</sup> May, 2020 to 9<sup>th</sup> May, 2025). The said re-appointment and their remuneration for a period of 3 years is in compliance with provisions of Section 196, 197, 203 and Schedule V and other provisions of the Act and necessary resolution(s) for their reappointment are placed before the shareholders at 12<sup>th</sup> AGM of the Company.

In accordance with section 149(10) of the Companies Act, 2013, the Board re-appointed Ms. Meeta Makhan as an Independent Director of the Company for a term of five years w.e.f. 1<sup>st</sup> April, 2020, as in their opinion continued association of Ms. Meeta Makhan would be of immense benefit to the Company.

Brief resume, nature of expertise, details of directorships held in other listed Companies of the Directors proposed to be reappointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an annexure to the Notice of this AGM.

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) and 149 (8) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

## PARTICULARS OF EMPLOYEES & RELATED DISCLOSURE

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the **Annexure 2** forming part of the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure 3** forming part of the Annual Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis as required under regulation 34(2)(e) of the Listing Regulations is annexed as **Annexure 4** herewith and forms a part of this report.

## CORPORATE GOVERNANCE

Your Company is committed to high standards of the corporate ethics, professionalism and transparency. More than half of the Board is comprised of Independent Directors. Your Company is in compliance with the governance requirements provided under the Companies Act, 2013 and Listing Regulations. Your Company has in place all the Committees required under the applicable law(s).

As required by regulation 34 of the Listing Regulations, a Report on Corporate Governance for the Financial Year 2018-19, along with Practicing Company Secretary Certificate on Corporate Governance is annexed as **Annexure 5** herewith and forms a part of this report.

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## CREDIT RATING

Facilities Rated	FY 2018-19 (India Ratings)	FY 2017-18 (CARE)
Long term Bank Facilities	IND BBB; Stable	CARE BBB; Stable
Short term Bank Facilities	IND A3+	CARE A3+

There is no change in the credit rating of the facilities during the financial year 2018-19.

## COMPLIANCE UNDER COMPANIES ACT, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company has complied with the compliance requirements and the detail of compliances under Companies Act, 2013 are enumerated below:

### • Extract of Annual Return

As per the provisions of section 92(3) of the Companies Act, 2013, an extract of the annual return in Form No MGT 9 of the Companies (Management and Administration) Rules, 2014 is annexed as **Annexure 6** herewith and forms a part of this report.

### • Board and Committee Meetings

During the year, five (5) Board meetings were held. The Meetings were held on May 30, 2018, July 14, 2018, August 09, 2018, November 14, 2018 and February 14, 2019. The intervening gap between the meetings was within the period prescribed under the Section 173 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of all Board and Committee meetings held are given in the Corporate Governance Report annexed herewith for the Financial Year ended March 31, 2019.

The Board meeting dates were finalized in consultation with all Directors and agenda papers backed up by comprehensive notes and details background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions. The Board is also apprised about the important developments in industry, segments, business operations, marketing etc.

### • Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors, based on the representations received from the management confirms that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### • Auditors & Auditors' Report

M/s S.R. Batliboi & Co., LLP, Chartered Accountants, were appointed in compliance with provisions of the Companies Act, 2013 read with the rules made thereunder in the 10<sup>th</sup> AGM of the Company for period of 5 years upto conclusion of 15<sup>th</sup> AGM of the Company.

There is no audit qualification, reservation or adverse remark for the year under review.

### • Internal Audit

M/s Grant Thornton India LLP, Chartered Accountants, the internal auditors of the Company for the financial year 2018-19 have conducted periodic audit of all operations of the Hotel Hyatt Regency, Mumbai. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

### • Secretarial Audit

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed M/s PI & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2019.

The Secretarial Audit Report (in Form MR-3) is annexed as **Annexure 7** hereto and forms a part of this report. The comments of Secretarial Auditors are self-explanatory and therefore do not call for any further clarifications/comments.

- **Cost Audit**

In terms of Rule 8 of the Companies (Accounts) Amendment Rules, 2018 read with Section 148 of the Companies Act, 2013, the Central Government has not specified the maintenance of cost records under Section 148 of the Companies Act, 2013, for the services provided by the Company.

- **Compliance with Secretarial Standards on Board and General Meetings**

The Company has complied with all the applicable provisions of Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India and notified by Central Government.

- **Particulars of Loan, Guarantees or Investment under section 186 of the Companies Act, 2013.**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note No 49 to the standalone financial statements.

- **Related Party Transactions**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All transactions entered by the Company with Related Parties were in ordinary course of business and at arm's length basis. The Audit Committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and Board of Directors on regular basis.

There was no materially significant transaction with related parties during the Financial Year 2018-19 and none of the transactions with any of related parties were in conflict with the Company's interest.

Particulars of contracts/ arrangements with related parties as referred to in sub-section (1) of section 188 of the Companies Act, 2013 are given in Form AOC 2 and the same is annexed as **Annexure 8** hereto and forms a part of this report.

Suitable disclosure as required under Ind-AS-24 has been made in Notes to the Financial Statements.

- **Material Changes and commitments, if any affecting the Financial Position of the Company which have occurred between March 31, 2019 and May 21, 2019 (date of report)**

There are no material changes and commitments affecting the Financial Position of the Company which have occurred between March 31, 2019 and May 21, 2019 (date of report)

- **Change in the Nature of Business, if any**

During the period under review, there has been no change in the nature of business

- **Conservation of Energy, Foreign Exchange Earnings & Outgo**

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to the conservation of energy, foreign exchange earnings and outgo is furnished in the **Annexure 9** hereto and forms a part of this report.

- **Risk Management Policy**

As part of the risk assessment and minimization procedures, the Company had identified certain risk areas with regard to the operations of the Company and initiated steps, wherever possible, for risk minimization. The Company's Board is conscious of the need to review the risk assessment and minimization procedures on regular intervals.

- **Committees of the Board**

- a) **Audit Committee**

In terms of section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, your company has in place audit committee of Board of Directors with Mr. Raj Kumar Bhargava as the Chairperson of the Committee, Mr. Surendra Singh Bhandari and Mr. Surinder Singh Kohli as members.

The terms of reference of Audit Committee are confined to the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Part-C of Schedule II of the Listing Regulations.

The details of meetings with attendance thereof and terms of reference of audit committee have been provided in the Corporate Governance Report which forms part of this report.

- b) **Stakeholder's Relationship Committee**

The Company has also formed Stakeholder's Relationship Committee in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The details about the composition of the said committee of the Board of Directors along with the attendance thereof have been provided in the Corporate Governance Report which forms part of this report.

## c) **Nomination and Remuneration Committee**

In terms of section 178 of the Companies Act, 2013 read with the Companies (Meeting of the Board and Power) Rules, 2014 and Regulation 19 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, your Company has in place duly constituted Nomination and Remuneration Committee of Board of Directors. The details of the composition of the committee along with other details have been provided in the Corporate Governance Report which forms part of this report.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at [www.asianhotelswest.com/Policies](http://www.asianhotelswest.com/Policies).

## d) **Corporate Social Responsibility (CSR) Committee**

In terms of section 135 of the Companies Act, 2013 and rules framed thereunder, the Company has duly constituted a Corporate Social Responsibility Committee to recommend and monitor expenditure on CSR. The committee comprises of Mr. Sudhir Gupta as the Chairperson and Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari as members.

Based on the recommendations of the CSR Committee, the Company has laid down a CSR Policy, which is displayed on the website of the company. The policy on Corporate Social Responsibility (CSR) is adopted by the Company to align its philosophy to initiate measures and pursue socially useful programmes with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made there under. The link of the said policy is [www.asianhotelswest.com/Policies](http://www.asianhotelswest.com/Policies).

During the year under review, the Company was not required to spend any amount towards the Corporate Social Responsibility Expenditure.

## • **Public Deposits**

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## • **Amount Transferred to Reserves**

During the year under review, your company has not transferred any amount to reserves for the financial year ended March 31, 2019.

## • **Internal Control System and their Adequacy**

The Company has standard operating procedures. It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. The internal auditors of the Company had regularly conducted exhaustive internal audits pertaining to all operational areas and their reports were placed before the Audit Committee for its review and recommendations.

## • **Performance Evaluation**

Pursuant to the provisions of the section 134(3)(p) of the Companies Act, 2013 read with Regulation SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee carried out the annual performance evaluation of its Directors individually including the Chairman, and the Board accordingly evaluated the overall effectiveness of the Board of Directors, including its committees based on the ratings given by the Nomination and Remuneration Committee of the Company.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board' functioning such as Knowledge to perform the role; Time and level of participation; Performance of duties and level of oversight; and Professional conduct and independence.

The Directors expressed their satisfaction to the above.

## • **Significant Material Orders Passed By Regulators**

No significant material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## • **Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 22 of the Listing Regulations, the Company has established a vigil mechanism for its Directors and employees to report their genuine concerns/ grievances. The mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provisions for direct access to the Audit Committee Chairman.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The details of the said mechanism are posted on the Company's website [www.asianhotelswest.com](http://www.asianhotelswest.com).



# ASIAN HOTELS (WEST) LIMITED

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- **Green Initiatives**

Electronic copies of the Annual Report and notice of the 12<sup>th</sup> AGM are sent to all the members whose email addresses are registered with the Company /Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report and the notice of 12<sup>th</sup> AGM are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in Notice. The instructions for e-voting are provided in the Notice.

- **Prevention of Sexual Harassment at Workplace**

The Company has zero tolerance policy against sexual harassment defined as any unwelcome sexually determined behavior. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, the Company has constituted Internal Complaints Committees (ICC) for its Registered Office, New Delhi and for Hotel Hyatt Regency, Mumbai. Ms. Mandavi Sharma is the presiding officer for New Delhi office and Ms. Shilpi Sinha is the presiding officer for Hyatt Regency Mumbai.

- **General**

Your Directors state that no disclosure or reporting in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

## **ACKNOWLEDGEMENT AND APPRECIATION**

Your Directors would like to express their sincere appreciation and gratitude to the Company's valued customers, the Government of India, State Governments, various Financial Institution(s) and Banks for their continued support and confidence in the Company. The Board would also like to place on record its deep sense of appreciation for the continued confidence reposed in the Company by the Shareholders as well as the sincere efforts put in by the executives and staff at all levels for progress of the Company.

**For and on behalf of the Board of  
Asian Hotels (West) Limited**

Place: New Delhi  
Date: 21<sup>st</sup> May, 2019

**Sushil Kumar Gupta  
Chairman and Managing Director  
(DIN - 00006165)**

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 1 TO THE DIRECTORS' REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lakhs.)

S. No.	Particulars	Details
1.	Name of the subsidiary	Aria Hotels And Consultancy Services Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	13601.64
5.	Reserves & surplus	1428.08
6.	Total assets	85822.40
7.	Total Liabilities	85822.40
8.	Investments	50.90
9.	Turnover	30255.60
10.	Profit before taxation	2103.69
11.	Provision for taxation	Nil
12.	Profit after taxation	5255.16
13.	Proposed Dividend	Nil
14.	% of shareholding	99.98

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - **None**
- Names of subsidiaries which have been liquidated or sold during the year - **None**

##### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - **Not applicable**

# ASIAN HOTELS (WEST) LIMITED

**ANNEXURE 2 TO THE DIRECTORS' REPORT**  
**STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sl. No	Name of the employee	Designation of the employee	Remuneration received (In Rupees)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of such employee (years)	Last employment held by such employee before joining the Company	Percentage of equity shares held by the Employee in the Company within the meaning of clause (iii) of sub-rule (2) above and	whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
<b>(A) The names of top ten employees in terms of remuneration drawn</b>										
1.	Mr. Sushil Kumar Gupta	Chairman and Managing Director	1,66,18,272	Up to 31 <sup>st</sup> October, 2019 (Contractual-Liable to retire by rotation)	F.S.C, CHA (56 years)	26.04.2007	75	Asian Hotels Limited	5.31%	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and father of Mr. Sandeep Gupta
2.	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	1,62,18,218	Permanent	Hotel Management Graduate (19 years)	09.12.2015	45	EAM Room, Grand Hyatt, Doha	NIL	None
3.	Mr. Sudhir Gupta	Executive (Whole-time ) Director	1,39,75,108	Up to 9 <sup>th</sup> May, 2020 (Contractual-Liable to retire by rotation)	Graduate from HKIS, Hong Kong (36 years)	26.04.2007	60	Asian Hotels Limited	1.84%	Mr. Sudhir Gupta is the Brother of Mr. Sushil Kumar Gupta and uncle of Mr. Sandeep Gupta
4.	Mr. Sandeep Gupta	Executive (Whole-time ) Director	1,39,75,108	Up to 9 <sup>th</sup> May, 2020 (Contractual-Liable to retire by rotation)	B.com (Hons) SRCC, New Delhi, MBA from Notre Dame University, U.S.A., Specializing in Finance & Marketing, PDP-Cornell University (28 years)	26.04.2007	50	Asian Hotels Limited	4.56%	Mr. Sandeep Gupta is the son of Mr. Sudhir Kumar Gupta and nephew of Mr. Sudhir Gupta
5.	Mr. Amit Gupta	Senior Vice President -Finance	64,74,881	Permanent	FCA, ICWA (23 years)	02.01.2008	46	AVP Finance, City Max Hotels, Landmark Group, Mumbai	NIL	None
6.	Mr. Rakesh Kumar Aggarwal	C.F.O.	63,06,376	Permanent	FCA (41 years)	01.04.2015	66	VP- Finance- Aria Hotels and Consultancy Serves Pvt. Ltd.	NIL	None
7.	Mr. Sulabh Suri	Director of Human Resources, Hyatt Regency, Mumbai	40,83,879	Permanent	MBA in Human Resources (20 years)	09.08.2012	41	Dir. of Human Resources at Grand Hyatt Goa	Nil	None
8.	Mr. Nitin Kerkar	Director of Engineering, Hyatt Regency, Mumbai	35,57,416	Permanent	Marine Engineering (23 years)	24.07.2006	44	Factory Manager at Suparna Chemicals	Nil	None
9.	Mr. Vivek Jain	Company Secretary & Compliance Officer	34,82,319	Permanent	FCS (14 years)	01.10.2015	36	Company Secretary-MBL Infrastructures Limited	Nil	None
10.	Mr. Nilesh Fedane	Director of Sales and Marketing, Hyatt Regency, Mumbai	34,65,187	Permanent	PHD in Marketing	05.03.2018	43	Director of Sales at Maratha Sahar, Mumbai	Nil	None

# ASIAN HOTELS (WEST) LIMITED

(B) Personnel who are in receipt of remuneration aggregating not less than Rs. 1.02 Crores per annum and employed throughout the year :										
1.	Mr. Sushil Kumar Gupta	Chairman and Managing Director	1,66,18,272	Up to 31 <sup>st</sup> October, 2019 (Contractual-Liable to retire by rotation)	F.S.C,CHA (56 years)	26.04.2007	75	Asian Hotels Limited	5.31%	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and father of Mr. Sandeep Gupta
2.	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	1,62,18,218	Permanent	Hotel Management Graduate and Experience of 19 years	09.12.2015	45	EAM Room, Grand Hyatt, Doha	NIL	None
3.	Mr. Sudhir Gupta	Executive (Whole-time) Director	1,39,75,108	Up to 9 <sup>th</sup> May,2020 (Contractual-Liable to retire by rotation)	Graduate from HKIS, Hong Kong (36 years)	26.04.2007	60	Asian Hotels Limited	1.84%	Mr. Sudhir Gupta is the Brother of Mr. Sushil Gupta and uncle of Mr. Sandeep Gupta
4.	Mr. Sandeep Gupta	Executive (Whole-time) Director	1,39,75,108	Up to 9 <sup>th</sup> May,2020 (Contractual-Liable to retire by rotation)	B.com (Hons) SRCC, New Delhi, MBA from Notre Dame University, U.S.A., Specializing in Finance & Marketing, PDP-Cornell University (28 years)	26.04.2007	50	Asian Hotels Limited	4.56%	Mr. Sandeep Gupta is the son of Mr. Sushil Gupta and nephew of Mr. Sudhir Gupta
(C) Personnel who are in receipt of remuneration aggregating not less than Rs. 8.5 Lacs per month and employed for part of the year : Nil										

**(D) Personnel who are in receipt of remuneration aggregating in excess of that drawn by the Managing Director and holds by himself or along with spouse and dependent children, not less than 2% of the equity shares of the Company and employed throughout the year or part of the financial year : Nil**

**Note:** Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to Provident Fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax Rules, Performance incentive, Ex-gratia payments.

## ANNEXURE 3 TO THE DIRECTORS' REPORT

**DISCLOSURES PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

- I) The ratio of the remuneration of each of the Executive Director to the Median remuneration of the employees of the Company for the financial year 2018-19; and
- II) The percentage increase in remuneration of each of the Executive Director, Chief Financial Officer, Company Secretary during the financial year 2018-19.

S. No.	Name of Director/KMP and Designation	The ratio of the remuneration of each Executive Director to the median remuneration of the employees.	The percentage increase in remuneration.
1	Mr. Sushil Kumar Gupta, Chairman and Managing Director	52.99:1	10.80#
2.	Mr. Sudhir Gupta, Executive (Whole-Time) Director	44.57:1	9.66#
3.	Mr. Sandeep Gupta, Executive (Whole-Time) Director	44.57:1	9.66#
4.	Mr. Rakesh Kumar Aggarwal, (CFO)	NA	7.21
5.	Mr. Vivek Jain (Company Secretary)	NA	7.14

# as per the shareholders approval in the 10<sup>th</sup> AGM of the Company held on 11<sup>th</sup> July, 2017.

- III) **The percentage increase in the median remuneration of employees in the financial year:**

The percentage increase in the median of employees in the financial year 2018-19 was **12.86 %**

- IV) **The number of permanent employees on the rolls of the Company:**

The Number of permanent employees on the roll of the Company as on 31<sup>st</sup> March, 2019 was **428**

- V) **Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial and justification thereof and points out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is approx 5.50% whereas the percentile increase in the managerial remuneration for the same period was approx 10.04% which was in terms of shareholders approval at the 10<sup>th</sup> AGM of the Company held on 11<sup>th</sup> July, 2017.

- VI) **Affirmation that the remuneration is as per the Remuneration policy of the Company :**

Affirmed that the remuneration paid is as per the Remuneration policy of the Company for the Directors, Key Management Personnel and other Employees.

### MANAGEMENT DISCUSSION AND ANALYSIS

#### INDIAN ECONOMY

According to IMF, India is projected to grow at 7.3 per cent in 2019-20 and 7.5 per cent in 2020-21, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy, thus remaining the fastest growing major economy of the world.

Continued implementation of structural and financial sector reforms with efforts to reduce public debt remain essential to secure the Indian economy's growth prospects. Important steps have been taken to strengthen financial sector balance sheets, including through accelerated resolution of nonperforming assets under a simplified bankruptcy framework.

#### Recent Developments

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India reached US\$ 129.4 billion in 2018 while private equity (PE) and venture capital (VC) investments reached US\$ 20.5 billion. Some of the important recent developments in Indian economy are as follows:

1. During 2018-19 (up to February 2019), merchandise exports from India have increased 8.85 per cent year-on-year to US\$ 298.47 billion, while services exports have grown 8.54 per cent year-on-year to US\$ 185.51 billion.
2. Net direct tax collection for 2018-19 had crossed Rs 10 trillion (US\$ 144.57 billion) by March 16, 2019, while goods and services tax (GST) collection stood at Rs 10.70 trillion (US\$ 154.69 billion) as of February 2019.
3. Proceeds through Initial Public Offers (IPO) in India reached US\$ 5.5 billion in 2018 and US\$ 0.9 billion in Q1 2018-19.
4. India's Foreign Direct Investment (FDI) equity inflows reached US\$ 409.15 billion between April 2000 and December 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
5. India's Index of Industrial Production (IIP) rose 4.4 per cent year-on-year in 2018-19 (up to January 2019).

#### Government Initiatives

Some of the recent initiatives and developments undertaken by the government are listed below:

1. In February 2019, the Government of India approved the National Policy on Software Products – 2019, to develop the country as a software hub.
2. The National Mineral Policy 2019, National Electronics Policy 2019 and Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles (FAME II) have also been approved by the Government of India in 2019.
3. Village electrification in India was completed in April 2018.
4. The Government of India released the maiden Agriculture Export Policy, 2018 which seeks to double agricultural exports from the country to US\$ 60 billion by 2022.
5. Around 1.29 million houses have been constructed up to December 24, 2018, under Government of India's housing scheme named Pradhan Mantri Awas Yojana (Urban).

#### Road Ahead

India's Gross Domestic Product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 385-412 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

A key concern for India is the health of the banking system, which is still dealing with a large amount of bad loans, and also heightened corporate vulnerabilities in several key sectors of the Economy.

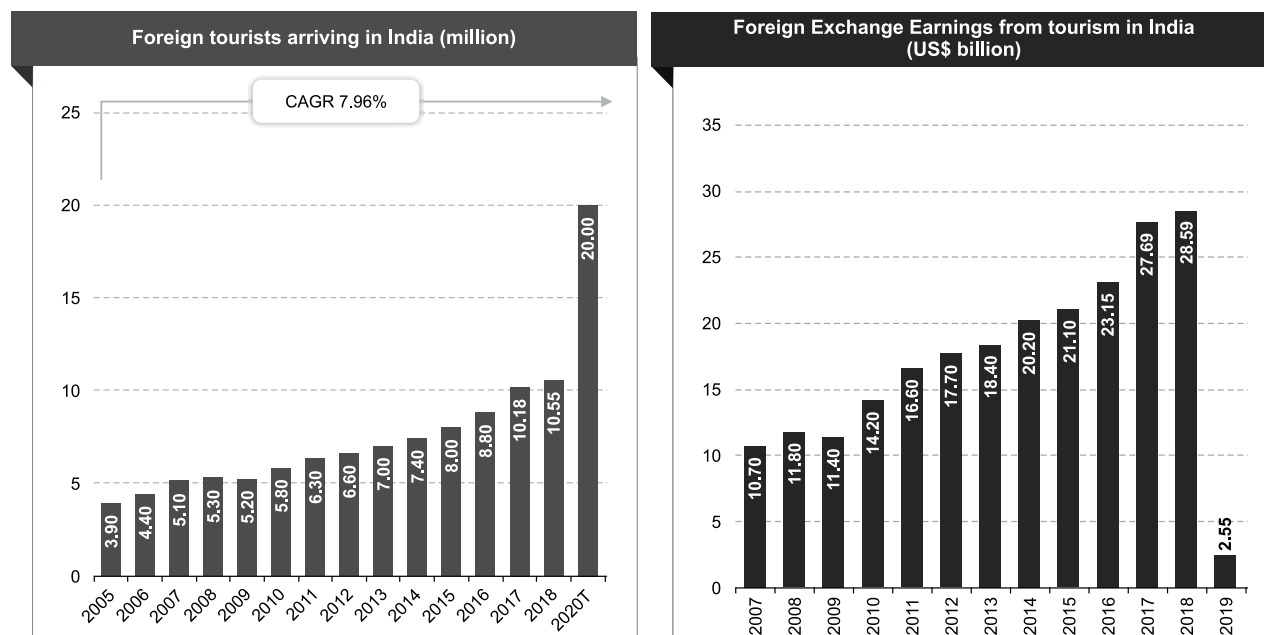
#### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange earnings (FEE) for the country. During 2018, FEEs from tourism increased 4.70 per cent year-on-year to US\$ 28.59 billion. FEEs during January 2019 was US\$ 2.55 billion.

During the period April 2000-December 2018, the hotel and tourism sector attracted around US\$ 12 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and to double the foreign exchange earnings as well.

The Government of India is working to achieve 1 per cent share in world's international tourist arrivals by 2020 and 2 per cent share by 2025.



## Market Size

India is one of the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey, India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism.

Electronic tourist authorisations, known as E-Tourist Visa, launched by the Government of India have resulted in increase in number of tourist visa issued in the country. The facility has been extended to citizens of 166 countries, as of December, 2018.

During 2018, foreign tourist arrivals (FTAs) in India stood at 10.56 million, achieving a growth rate of 5.20 per cent year-on-year. FTAs in January 2019 stood at 1.10 million, up 5.30 per cent compared to 1.05 million year-on-year. During January 2019, arrivals through e-tourist visa increased by 21.10 per cent year-on-year to 0.29 million.

The travel and tourism sector in India accounted for 8 per cent of the total employment opportunities generated in the country in 2017, providing employment to around 41.6 million people during the same year. The number is expected to rise by 2 per cent annum to 52.3 million jobs by 2028.

## Government initiatives:

Some of the major initiatives taken by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

- Under Budget 2019-20, the government allotted Rs 1,160 crore (US\$ 160.78 million) for development of tourist circuits under Swadesh Darshan.
- In March 2019, Rs. 720 crore had been allocated by Uttar Pradesh Government towards strengthening the infrastructure for tourism.
- The Government has also been making serious efforts to boost investments in tourism sector. In the hotel and tourism sector, 100 per cent FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai).

## Road Ahead

India has a diverse portfolio of niche tourism products –cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural & religious tourism. The country's big coastline is dotted with a number of attractive beaches.

By 2020, medical tourism industry of India is expected to touch US\$ 9 billion. Further, International tourist arrivals are expected to reach 30.5 million by 2028.

## 2. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Industry has taken upwards turn after a long period. The main factor for this upward turn includes the rising purchasing power of domestic travellers, an increase in commercial development and foreign tourist arrivals and government-led initiatives aiming to stimulate the sector. The industry would also benefit from introduction of new forms of tourism and development of niche segments. Opportunities exist in ecotourism, adventure tourism and cruise tourism. With increasing environment awareness and consciousness among tourists and given efforts undertaken by the government and private players, the ecotourism segment is expected to record handsome growth in the coming years.

# ASIAN HOTELS (WEST) LIMITED

The sector faces several challenges in terms of complex regulatory environment:

Government approvals and licenses - Hoteliers face regulatory constraint at every step in the process of development of hotels beginning from land acquisition stage (for which laws differ from state-to state) to approval by various ministries and associations on various matters.

Land availability and cost issues - The process of identifying new land parcels as per the requirement for hotels is a tedious task in India. Compared to international standards, where land costs accounts for 15-20% of the total project cost, in India this is often in the range of 40-50%. This is also one of the reasons for low development of budget & mid-market hotels in comparison to upscale luxury hotels as budget hotels with lower average rates are unlikely to become viable with such high land cost.

Human Capital - Indian hotels face the continued challenge of shortage of trained employees, especially at the manager and supervisor levels. Major reason for this shortage is absence of organized training and educational institutes for development of skilled employees.

## Indian Online Travel Market

India's total internet subscribers' base as of June 2018 stood at about 512 million. India's e-commerce market was worth about \$2.5 billion in 2009, it went up \$38.5 billion in 2017. Approximately 75% of this is travel related. Also, as per the telecom regulator TRAI, at the end of June 2018, India had 1,147 million wireless subscribers. With this increased emergence of smartphone in India, providing an easy access to internet and various applications, it is readily becoming a major source of travel bookings including hotel bookings.

### 3. SEGMENT WISE PERFORMANCE

During the period under review, the Company is engaged in only one segment of Hotel Business hence segment wise performance is not applicable.

### 4. OUTLOOK

As per CARE, the industry can further register an overall healthy growth in revenue on back of economic growth due to recovery in the global conditions resulting in higher movement in the MICE segment and consistently growing middle class along with increasing disposable income. There are various other key factors that drive the market, including India's attractiveness as a medical tourism destination; steadily growing Meetings, Incentives, Conferences and Exhibitions (MICE) segment; and, an increasing fondness among millennial to travel. The hotel industry is expected to see an increase in room revenue at the rate of about 10-12% CAGR over the 5 years.

The long-term outlook for the Indian hospitality business continues to be positive, both for the business and leisure segments. The sector has potential for growth on the back of increases in disposable incomes, increase in foreign tourist arrivals, momentum from government-led initiatives, and the burgeoning middle-class population.

### 5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has standard operating procedures (SOP's). It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. The Internal Auditors of the Company had regularly conducted exhaustive internal audits pertaining to all operational areas and their reports were placed before the Audit Committee for its review and recommendations.

### 6. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE (STANDALONE BASIS).

#### Total Income

The total income during the year under review was Rs. 159.42 Crores as against Rs. 152.32 Crores during previous Financial Year.

#### Profit Before Tax

Your Company has registered PBT of Rs. 16.58 Crores as against Rs. 5.98 Crores during previous Financial Year.

#### Total Comprehensive Income/(loss) after tax

Your Company has registered Comprehensive Income/(loss) after tax of Rs. 26.62 Crores as against Rs. 4.39 Crores during previous Financial Year.

#### Key Ratios

Key financial ratios are given below:

Particulars	2018-19	2017-18
EBIDTA / Turnover (percent)	31.54	29.68
Profit After Tax / Turnover (percent)	16.70	2.88
EBIDTA / Finance Cost (no. of times)	1.92	1.94
Debt to Equity	0.70	0.63
Book Value per share (Rs./share)	281.25	258.73
Earnings per share (Rs./share)	23.00	3.83

During the year ended 31<sup>st</sup> March, 2019, the Company achieved an occupancy rate of 76% (in comparison to the 77% during the Financial Year 2017-18) and the Average room rate was Rs. 8,575 (in comparison to ARR at Rs. 7,748/- during the previous year).



# ASIAN HOTELS (WEST) LIMITED

## 7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING - NUMBER OF PEOPLE EMPLOYED

As our Company is part of the hospitality industry the importance of efficient and motivated human resources helps in achieving complete customer satisfaction, which in turn has direct impact on the brand image and turnover of the Company. The Company enjoys harmonious relationship with its employees. The employee strength of the Company, as on 31<sup>st</sup> March, 2019 was 428.

The Company recognizes the importance of human values and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The senior management team consists of experienced professionals with diverse skills.

## 8. DETAIL OF SIGNIFICANT CHANGE (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN THE KEY FINANCIAL RATIOS.

Particulars	2018-19	2017-18	Explanation
Return on Equity (percent)	8.13	1.48	Due to increase in Net Profit
Net Profit Margin (%)	17.91	3.03	Increase in Net Profit Margin is primarily due to reduction in depreciation on fixed assets which were completely depreciated upto March 2018 and reversal of deferred tax liability on fair value of optionally convertible preference shares (OCPS) in subsidiary company after conversion of OCPS into equity.
Current Ratio	0.44	1.77	Current ratio is reduced on account of repayment schedule of loan as well as due to prepayment of the same during previous years. However, the repayment due during next financial year can be adjusted against the prepayment made in previous years. There was also redemption/reduction of Investment in Liquid funds & Loans (Current Assets) which was utilised for investment in subsidiary (non Current Assets).

## 9. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.

Particulars	2018-19	2017-18	Explanation
Return on Equity (percent)	8.13	1.48	Due to increase in Net Profit

### Cautionary Statement

The Statements in the 'Management Discussion and Analysis Report' with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and even less than accurate assumptions. Market data and information are gathered from various published and unpublished reports; their accuracy, reliability and completeness cannot be assured.

### CORPORATE GOVERNANCE REPORT

#### 1. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. This philosophy is backed by principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. Company respects the inalienable rights of the shareholders to information on the performance of the Company. The Company's Corporate governance policies ensures, among others, the accountability of the Board of Directors and the importance of its decisions to all its participants viz. employees, investors, customers, regulators etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

#### 2. Board of Directors

##### a. Composition of the Board

The Company is managed and controlled through a professional body of Board of Directors (the Board), which comprises of an optimum combination of Executive and Independent Directors headed by the Executive-Chairman. As on the date of this report, the Board of Directors of the Company comprises of Eight Directors, out of which five are Independent and Non-Executive Directors and remaining three are Executive Whole-time Directors.

The Board has been enriched with the skills and experience of the Independent Directors. Other than receiving sitting fees, none of the Independent Director has any pecuniary relationship with the Company. All Independent Directors comply with the requirements of the Listing Obligations and section 149(6) of the Companies Act, 2013 for being "Independent Director". The composition of the Board of Directors as on 31<sup>st</sup> March, 2019 is as under:

S. No	Category of Director	Name of the Director	Date of Appointment
1	Promoter and Executive	Mr. Sushil Kumar Gupta Mr. Sudhir Gupta Mr. Sandeep Gupta	26.04.2007 26.04.2007 26.04.2007
2	Independent and Non-Executive	Mr. Raj Kumar Bhargava Dr. Lalit Bhasin Mr. Surendra Singh Bhandari Mr. Surinder Singh Kohli Ms. Meeta Makhan	23.12.2008 23.12.2008 23.12.2008 09.08.2014 27.03.2015

##### b. Attendance Records and other Directorships/ Committee Memberships

The details of Directorships / committee membership / chairmanship held, and attendance of the Directors at the Board meetings and at the last Annual General Meeting is given below:

S. No.	Name of the Director	Category	No. of Board Meetings Attended	No. of shares held	Last AGM attended	Name of other listed entities in which director holds directorship and category of directorship	Directorships in other Indian Public Limited Companies (excluding Asian Hotels (West) Ltd.)	No. of Board Committees in which Chairman / Member (excluding Asian Hotels (West) Limited)*	
								Member	Chairperson
1.	Mr. Sushil Kumar Gupta	Chairman and Managing Director	5 out of 5	619047	Yes	Nil	2	Nil	Nil
2.	Mr. Raj Kumar Bhargava	Independent Non-Executive	5 out of 5	Nil	Yes	1. Kajaria Ceramics Ltd., Independent Director 2. HB Portfolio Ltd., Independent Director	3	2	2
3.	Dr. Lalit Bhasin	Independent Non-Executive	4 out of 5	Nil	Yes	1. Godfrey Phillips India Ltd., Independent Director 2. Ansal Properties and Infrastructure Ltd., Independent Director 3. Asian Hotels (North) Ltd., Independent Director 4. United Breweries (Holding) Ltd., Independent Director	10	4	3
4.	Mr. Surendra Singh Bhandari	Independent Non-Executive	4 out of 5	Nil	Yes	Nil	Nil	Nil	Nil
5.	Mr. Surinder Singh Kohli	Independent Non-Executive	4 out of 5	Nil	No	1. BLS International Services Ltd., Independent Director 2. Seamec Limited, Independent Director 3. IDFC Limited, Independent Director 4. Reliance Infrastructure Ltd., Independent Director	8	4	2
6.	Ms. Meeta Makhan	Independent Non-Executive	4 out of 5	Nil	Yes	Nil	1	Nil	Nil
7.	Mr. Sudhir Gupta	Executive (Whole - time) Director	5 out of 5	214290	Yes	Nil	1	Nil	Nil
8.	Mr. Sandeep Gupta	Executive (Whole - time) Director	5 out of 5	531298	Yes	Nil	2	Nil	Nil
9.	Mr. Sunil Vasant Diwakar (Resigned w.e.f. 18 <sup>th</sup> July, 2018)	Non-Executive Director	0 out of 5	Nil	No	Nil	Nil	Nil	Nil

\* Considering only Audit Committee and Stakeholders' Relationship Committee.

# ASIAN HOTELS (WEST) LIMITED

During the period under review none of the Director of the Company was a member of more than ten Board-level committees, nor a Chairman of more than five such committees, across all companies in which he was a Director.

Mr. Sandeep Gupta is son of Mr. Sushil Kumar Gupta, who is brother of Mr. Sudhir Gupta. No other director is related to any other director of the Company.

**c. Meetings during the year**

During the Financial Year 2018-19, the Board of Directors met 5 (Five) times on the following dates:

<b>April to June 2018</b>	30.05.2018	<b>July to September 2018</b>	14.07.2018 & 09.08.2018	<b>October to December 2018</b>	14.11.2018	<b>January to March 2019</b>	14.02.2019
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The maximum gap between any two meetings was less than 120 days. All material information was circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board.

**d. Independent Directors Meeting**

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-independent directors) was held on 22<sup>nd</sup> March, 2019, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

**e. Familiarization Programme**

Your Company follows a structured orientation and familiarisation programme through various reports / codes / internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives, etc.

The details of familiarisation programme have been placed on Company's website [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies)

**f. The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business are:**

1. Knowledge of the hotels Operations Activities.
2. Legal Knowledge/Experience
3. Banking Knowledge /Experience.
4. Financial Knowledge / Experience
5. Administrative and Corporate Sector Experience

The Board possess these skills/expertise/competencies as required in the context of Company's business.

**g. Independent Directors**

All Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website at [www.asianhotelswest.com](http://www.asianhotelswest.com). The Board of Directors confirm that the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of management.

**3. Audit Committee:**

**a. Brief description of Terms of reference.**

- (1) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors.
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;

- f. disclosure of any related party transactions;
- g. modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision."
- (22) The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (23) To review the financial statements, in particular, the investments made by the unlisted subsidiary.
- (24) To mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - f. Statement of deviations:
    - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of listing obligations.

**b. Composition, name of members and chairperson, Meetings and Attendance**

Name of the Member	Category	No. of Meetings attended	Dates on which Meetings held
Mr. Raj Kumar Bhargava (Chairperson of the committee)	Independent - Non-Executive	4 out of 4	30 <sup>th</sup> May, 2018; 9 <sup>th</sup> August, 2018;
Mr. Surendra Singh Bhandari	Independent - Non-Executive	4 out of 4	14 <sup>th</sup> November, 2018;
Mr. Surinder Singh Kohli	Independent - Non-Executive	3 out of 4	14 <sup>th</sup> February, 2019

The Chairman and Managing Director of the Company is the permanent invitee to the Audit Committee meeting.

## 4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors comprises of three Independent Non-Executive Directors, namely, Dr. Lalit Bhasin, Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari.

### a. Brief description of terms of reference

- (1) Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- (2) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- (3) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- (4) Policy for appointment and removal of Director, KMP and Senior Management.
- (5) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- (6) To recommend to the Board on Remuneration in whatever form payable to the Directors, Key Managerial Personnel and Senior Management.
- (7) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- (8) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- (9) To devise a policy on Board diversity.
- (10) To develop a succession plan for the Board and to regularly review the plan;

The details Terms of reference of Nomination and Remuneration Committee have been placed on Company's website [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies)

### b. Composition, name of members and chairperson, Meetings and Attendance

Name of the Member	Category	No. of Meetings attended	Date on which Meetings held
Dr. Lalit Bhasin (Chairperson of the committee)	Independent - Non-Executive	1 out of 1	30 <sup>th</sup> May, 2018
Mr. Raj Kumar Bhargava	Independent - Non-Executive	1 out of 1	
Mr. Surendra Singh Bhandari	Independent - Non-Executive	1 out of 1	

### c. Performance evaluation criteria for Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was also carried out by the Independent Directors.

The Directors expressed their satisfaction to the above.

## 5. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee formed under Section 135 of Companies Act, 2013 comprises of Mr. Sudhir Gupta, Executive (Whole-time) Director of the Company, as the Chairperson of the committee and Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari, Independent Directors of the Company, as other members.

### a. Brief description of Terms of Reference

- (1) To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
- (2) To recommend the amount of expenditure to be incurred on the CSR activities.
- (3) To monitor the implementation of the framework of the CSR Policy.
- (4) To observe corporate governance practices at all levels and to suggest remedial measures wherever necessary.
- (5) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

### b. Committee Meetings Procedure

The Company's guidelines relating to Board meetings are applicable to all the Committee meetings also. Minutes of proceedings of Committee meetings are placed before the Board for noting.

Mr. Vivek Jain, Company Secretary and Compliance Officer, is the Secretary of all Board Committees

## 6. Remuneration of Directors

All fees/ compensation paid to Executive Directors are fixed by the Board and approved by the shareholders in the 10<sup>th</sup> Annual General Meeting and the compensation is within the limits prescribed under the Companies Act, 2013.

- a. All pecuniary relationship or transactions of the Non-Executive Directors: None of the Non-Executive Directors has any pecuniary relationship or transaction with the Company.

# ASIAN HOTELS (WEST) LIMITED

b. Criteria of making payments to Non-Executive Directors is given in the Nomination and Remuneration policy of the Company and link of the same is [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies)

c. Details of remuneration paid to the Directors for the Financial Year 2018-19 are given below:

(Amount in Rs. Lacs)

Name of the Directors	Salary including Perquisites & PF	Commission paid during the year	Sitting Fees	Tenure upto	Notice period	Total
Mr. Sushil Kumar Gupta	166.18	NIL	NIL	31.10.2019	3 months	166.18
Mr. Raj Kumar Bhargava	NIL	NIL	3.00	31.03.2024	NA	3.00
Dr. Lalit Bhasin	NIL	NIL	1.00	31.03.2022	NA	1.00
Mr. Surendra Singh Bhandari	NIL	NIL	2.40	31.03.2022	NA	2.40
Mr. Surinder Singh Kohli	NIL	NIL	1.20	31.03.2024	NA	1.20
Mrs. Meeta Makhan	NIL	NIL	1.20	31.03.2020	NA	1.20
Mr. Sudhir Gupta	139.75	NIL	NIL	09.05.2020	3 months	139.75
Mr. Sandeep Gupta	139.75	NIL	NIL	09.05.2020	3 months	139.75
<b>TOTAL</b>	<b>445.68</b>	<b>Nil</b>	<b>8.80</b>			<b>454.48</b>

## 7. Stake holders Relationship Committee:

### a. Brief description of Terms of reference

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report(s), non-receipt of declared dividend(s), issue of new/duplicate certificate(s), general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### b. Composition, name of members and chairperson, Meetings and Attendance

Name of the Member	Category	No. of Meetings attended	Date on which Meeting held
Ms. Meeta Makhan (Chairperson of the Committee)	Independent - Non-Executive	1 out of 1	14 <sup>th</sup> February, 2019
Mr. Raj Kumar Bhargava	Independent - Non-Executive	1 out of 1	
Mr. Sudhir Gupta	Executive Whole-Time Director	1 out of 1	

### c. Name and Designation of Compliance Officer

Mr. Vivek Jain, Company Secretary, is the Compliance Officer of the Company.

### d. Details of Complaints received, resolved and pending during the Year 2018-19

The Company received 37 complaints during the period, which have been resolved and/or appropriately replied to. None of the investor complaints is lying unresolved at the end of the Financial Year.

## 8. General Body Meetings :-

### a. Location, Date and Time of last three AGMs and Special Resolutions passed thereat are as under:

Financial Year	Venue	Date	Time	Whether any Special Resolution Passed
2015- 16	Airforce Auditorium, Subroto Park, New Delhi – 110 010.	22.07.2016	3.00 P.M	Yes
2016-17	Mapple Emerald, NH8, Rajokri, New Delhi – 110038	11.07.2017	3.00 P.M	Yes
2017-18	Mapple Emerald, NH8, Rajokri, New Delhi – 110038	03.07.2018	3.00 P.M	Yes

### b. Passing of Special Resolution by Postal Ballot

No Special Resolution was passed by postal ballot during the year 2018-19.

No Special Resolution is proposed to be conducted through Postal Ballot.

## 9. Means of Communication

The quarterly financial results are generally published in the Business Standard / Financial Express (English) and Jansatta (Hindi). All other official news releases are first forwarded to the Stock Exchanges and subsequently released to the media. Further, all periodic statutory reports, other official news releases and presentation made to analysts/investors are also uploaded on the Company's official website [www.asianhotelswest.com](http://www.asianhotelswest.com)

# ASIAN HOTELS (WEST) LIMITED

## 10. General Shareholder Information

### a. Annual General Meeting:

Day, Date & Time : 17<sup>th</sup> August, 2019 at 3.00 PM  
Venue : Mapple Emerald, NH8, Rajokri, New Delhi – 110 038.

### b. Financial Year

1<sup>st</sup> April 2018 to 31<sup>st</sup> March, 2019

### c. Dividend Payment Date

Within 30 days from the date of 12<sup>th</sup> AGM

### d. Listing on Stock Exchanges & Stock Code

The Equity Shares of the Company are listed on National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE).

The Company has paid the listing fees for the year 2018-19 to both the stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

### e. Stock Code

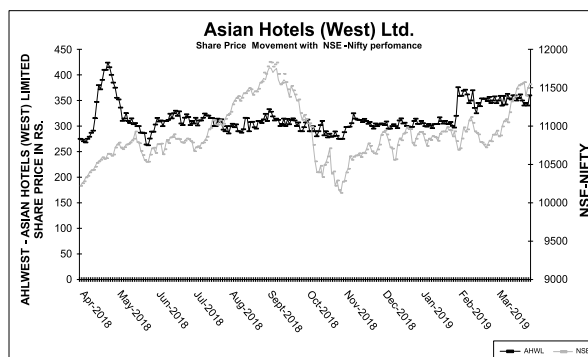
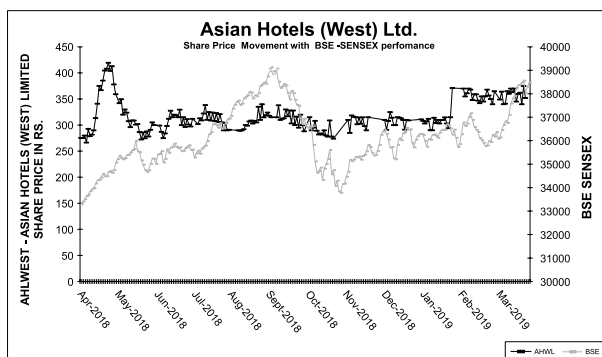
Exchange	Code
<b>National Stock Exchange of India Limited</b> The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East) Mumbai – 400 051	AHLWEST
<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400 001	533221

### f. Stock Market Price Data - high, low during each month in financial year 2018-19

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE for the period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 are given below:

Month	BSE			NSE		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (in Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (in Nos.)
18-Apr	419.4	266	10934	424	265.3	96,972
18-May	349.5	258.85	4004	351.95	238	8729
18-Jun	329.65	275	1749	330	283.05	1,66,328
18-Jul	338.25	275.5	2827	324.5	271.55	10,503
18-Aug	340	274	11541	333	270.05	22,461
18-Sep	338	287.05	5591	314.95	290	49,010
18-Oct	315	262.1	8050	309.9	255	14,538
18-Nov	318.6	285	3368	325	280.25	10,822
18-Dec	324.9	282	9945	315	271.95	7298
19-Jan	371	255	19991	375.95	286.1	31455
19-Feb	370	311	15827	371	296.95	20,016
19-Mar	375	325.65	18983	362.9	327.05	9,823

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)



# ASIAN HOTELS (WEST) LIMITED

## g. Stock Performance in comparison to broad based indices:

	01.04.2019	02.04.2018	Change (%)
Share prices of AHWL (Rs.)(BSE)	350	275.40	27.09
V/s BSE Sensex	38871.87	33255.36	16.89
Share prices of AHWL (Rs.) (NSE)	354.80	267.00	32.88
V/s NSE Nifty	11669.15	10211.80	14.27

## h. Share Transfer Agent

<b>Karvy Fintech Pvt. Ltd.</b> "Karvy House" Karvy Selenium Tower B , Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. e-mail : mailmanager@karvy.com	<b>Karvy Fintech Pvt. Ltd</b> 305, New Delhi House 27, Barakhamba Road New Delhi-110001 Telephone No. 011-43681700 e-mail : delhi@karvy.com
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## i. Share Transfer System

During the year to expedite the transfer of shares in physical form, authority has been delegated at two levels:

- Stakeholder Relationship Committee of the Board of Directors; and
- Executive Share Transfer Committee comprising of executives of the Company.

In compliance with the Listing Obligations, the transfer of shares received during the year under review in physical form are approved and given effect to every fortnight.

Pursuant to circular issued by SEBI on 20<sup>th</sup> April, 2018, the Company had sent letters and reminders to shareholders holding shares in physical form for updation of PAN and Bank account details with the Company/its RTA.

## j. Distribution of shareholding

Number of equity shares held	As on 31st March, 2019				As on 31st March, 2018			
	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding
Upto 500	9851	96.31	570473	4.90	10503	96.30	610692	5.33
501-1000	196	1.92	141400	1.21	224	2.05	160184	1.40
1001-2000	69	0.67	95723	0.82	74	0.68	101109	0.88
2001-3000	30	0.29	73440	0.63	28	0.26	67480	0.59
3001-4000	14	0.14	46710	0.40	17	0.16	58053	0.51
4001-5000	9	0.09	41660	0.36	5	0.05	24372	0.21
5001-10000	16	0.16	110341	0.95	18	0.17	121613	1.06
10000 – above	43	0.42	10571463	90.73	38	0.35	10314800	90.02
<b>TOTAL</b>	<b>10228</b>	<b>100.00</b>	<b>11651210</b>	<b>100.00</b>	<b>10907</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

## Category wise shareholding

CATEGORY	As on 31 <sup>st</sup> March, 2019		As on 31 <sup>st</sup> March, 2018	
	No. of shares held	% age of Share-holding	No. of shares held	% age of Share-holding
<b>A. Promoters Shareholding</b>				
– Indian	2592733	22.25	2528973	22.07
– Foreign	5384555	46.21	5336880	46.58
<b>Total Promoters shareholding</b>	<b>7977288</b>	<b>68.47</b>	<b>7865853</b>	<b>68.65</b>
<b>B. Public Shareholding</b>				
– Mutual Funds/Financial Institutions/ Banks and Insurance Companies	87264	0.75	103541	0.90
– FII's	2719	0.02	3614	0.03
– NRI's	1248217	10.71	1256570	10.97
– Bodies Corporate (Domestic)/IEPF/NBFC	956579	8.21	932019	8.13
– Individuals (Indian Public)	1359628	11.67	1276874	11.14
– Trusts	Nil	Nil	Nil	Nil
– Clearing Members	675	0.01	992	0.01
– Foreign Bodies	18840	0.16	18840	0.16
<b>Total Public shareholding</b>	<b>3673922</b>	<b>31.53</b>	<b>3592450</b>	<b>31.36</b>
<b>GRAND TOTAL</b>	<b>11651210</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>



# ASIAN HOTELS (WEST) LIMITED

## k. Dematerialization and Liquidity

The Equity ISIN allotted by NSDL and CDSL is INE915K01010. Total 1,14,29,085 equity shares (equivalent to 98.09 %) of the total equity shares of the company are held in dematerialized form as on 31<sup>st</sup> March, 2019. The shares are regularly traded at BSE and NSE.

## l. Outstanding Convertible instruments

As of 31<sup>st</sup> March, 2019, there are no outstanding convertible instruments.

## m. Plant Locations

During the period under review, the Company had one five star deluxe hotel as per the details given below:

### HYATT REGENCY, MUMBAI

Sahar Airport Road,  
Andheri East, Mumbai - 400099.

## n. Address for Correspondence

The investors may address their queries directly to the Share Department located at the registered office of the Company (as detailed below) or to the Share Transfer Agent at the addresses mentioned herein above.

### ASIAN HOTELS (WEST) LIMITED

6<sup>th</sup> Floor, Aria Tower, J.W Marriott,  
Aerocity, Asset Area 4,  
Hospitality District, Near IGI Airport,  
New Delhi -110037  
Telephone No.011-46101208/46101210  
Fax No. 011-41597321  
Email Id. [Vivek.jain@asianhotelswest.com](mailto:Vivek.jain@asianhotelswest.com)

## o. List of all credit ratings obtained:

Facilities Rated	FY 2018-19 (India Ratings)	FY 2017-18 (CARE)
Long term Bank Facilities	IND BBB; Stable	CARE BBB; Stable
Short term Bank Facilities	IND A3+	CARE A3+

## p. Unpaid/ Unclaimed Dividend

In terms of Section 124 and 125 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to claim the dividend(s) from the Company before transfer to the IEPF Account.

Due date for transfer of unclaimed dividend to IEPF is as follows:

Financial Year	Cases	Unclaimed Dividend as on 31.03.2019 (Rs.)	Due Date for transfer to IEPF *
2011-2012	2005	5,17,504.13	19.10.2019
2012-2013	2379	3,39,392.00	06.10.2020
2013-2014	3476	2,93,971.46	26.11.2021
2014-2015	3230	2,94,867.00	17.10.2022
2015-2016	3733	2,54,345.00	27.09.2023
2016-2017	3696	2,62,912.00	16.09.2024
2017-2018	3306	4,55,409.02	08.09.2025

\* Indicative dates, actual dates may vary.

During the Financial Year 2018-19 the Company has transferred 14031 shares (in respect of which dividend had not been claimed for seven consecutive years) belonging to 230 shareholders of the Company to Demat account of Investor Education Protection Fund authority, in accordance with section 124(6) of the Companies Act, the Company has also transferred Rs.6,94,668 lying in the unpaid dividend account for the year 2010-11 belonging to 2482 shareholders to Investor Education Protection Fund in accordance with section 124(5) of the Companies Act.

## 11. OTHER DISCLOSURES

### a. Materially Significant Related Party Transactions

During the year under review, the Company had not entered into any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arms-length basis.

## **b. Related Party Disclosures**

The details of related party disclosures with respect to loans/advances/investments at the year end and maximum outstanding amount thereof during the year, as required under Part A of Schedule V of the Listing Regulations have been mentioned in the Notes 42 of the Standalone Financial Statements for the financial year ended on March 31, 2019.

During the period under review, the Company has allotted 47,675 Equity Shares to D.S.O. Limited, one of the Promoter of the Company, holding more than 10% of the shareholding in the Company.

## **c. Compliances**

There are no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

## **d. Whistle Blower Mechanism**

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

## **e. Details of Adoption of Non-Mandatory (Discretionary) Requirements.**

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- (i) The Chairman of the Company is an Executive Chairman and hence the provisions for Non-Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with.
- (ii) The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.
- (iii) There are no modified opinions in audit report.
- (iv) In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

## **f. Web link for policy for determining 'material' subsidiaries – [www.asianhotelswest.com](http://www.asianhotelswest.com)**

## **g. Web link for policy for dealing 'Related party transactions – [www.asianhotelswest.com](http://www.asianhotelswest.com)**

## **h. Details of utilization of Funds raised through Preferential Allotment as specified under Regulation 32(7A).** The Company has fully utilized the funds raised through preferential allotment in acquiring the stake of IL&FS Group in Aria Hotels and Consultancy Services Private Limited' (ARIA), subsidiary of the Company.

## **i. A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority -** The certificate is annexed herewith as a part of the report.

## **j. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year :** Not Applicable.

## **k. Total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part -** The same is given in note 35 of Consolidated Financial Statement.

## **l. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- Number of complaints filed during the financial year: 1
- Number of complaints disposed of during the financial year: 1
- Number of complaints pending as on end of the financial year: 0

## **m. Compliances with Governance Framework**

The Company has complied with the requirements of the Schedule V of the Listing Regulations;

The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

## **n. Compliance with Code of Conduct for the Board of Directors and Senior Management Personnel**

The Company has obtained affirmation from the Board of Directors and senior managerial personnel affirming compliance with the Company's Code of Conduct for Financial Year 2018-19.

# ASIAN HOTELS (WEST) LIMITED

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The declaration by the Managing Director, under the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, affirming compliance with the Code of Conduct by all the Board members and senior managerial personnel for the year ended March 31, 2019 is annexed herewith and forming part of this report.

**o. Compliance Certificate on Corporate Governance**

In terms of Regulation 34 of the Listing Regulations, the Certificate on Corporate Governance issued by practicing company secretary annexed as Annexure to this report.

**Disclosure with respect to demat suspense account/unclaimed suspense account.**

In terms of Clause 34(3) of the Listing Obligations, the details of unclaimed shares lying in Demat Suspense Account are as under:

S. No	Particulars	No. of shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at beginning of the year.	285 shareholders and the outstanding shares were 34397
2.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	2 shareholder holding 60 shares
3.	Number of shareholders to whom shares were transferred from suspense account during the year.	2 Shareholder holding 60 shares
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	244 shareholders and the outstanding shares were 31768
5.	Number of shareholders whose shares were transferred to IEPF account during the year.	39 shareholders holding 2569 Shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the share

During the year Company has transferred 14,031 Equity shares belonging to 230 shareholders to Investor Education Protection Fund, in accordance with section 124(6) of the Companies Act.

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## DECLARATION REGARDING CODE OF CONDUCT

To  
The Members of  
Asian Hotels (West) Limited

I hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company. The Code is posted on the Company's website [www.asianhotelswest.com](http://www.asianhotelswest.com).

**For Asian Hotels (West) Limited**

**Sushil Kumar Gupta**  
**Chairman & Managing Director**  
**DIN (00006165)**

Place : New Delhi  
Date : 21<sup>st</sup> May, 2019

# ASIAN HOTELS (WEST) LIMITED

## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015

To  
The Members of  
Asian Hotels (West) Limited.

We have examined the compliance of regulations of Corporate Governance by Asian Hotels (West) Limited for the year ended 31st March, 2019, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For D.S. Associates  
Company Secretaries**

Place: New Delhi  
Date: 21<sup>st</sup> May, 2019

**Dhawal Kant Singh  
Proprietor  
CP No.: 7347  
M No. F8687**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Asian Hotels (West) Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Asian Hotels (West) Limited** having **CIN: L55101DL2007PLC157518** and having registered office at 6<sup>th</sup> Floor Aria Towers JW Marriott New Delhi Aerocity Asset Area 4 Hospitality District Near IGI Airport New Delhi - 110037 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any court or any other Statutory Authority:

Sr. No.	Name of Director	DIN
1.	Dr. Lalit Bhasin	00001607
2.	Mr. Sushil Kumar Gupta	00006165
3.	Mr. Sudhir Gupta	00015217
4.	Mr. Raj Bhargava Kumar	00016949
5.	Mr. Surendra Singh Bhandari	00043525
6.	Mr. Sandeep Gupta	00057942
7.	Mr. Surinder Singh Kohli	00169907
8.	Ms. Meeta Makhan	07135150

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For D.S. Associates  
Company Secretaries**

Place: New Delhi  
Date : 21<sup>st</sup> May, 2019

**Dhawal Kant Singh  
Proprietor  
CP No.:7347  
M No. F8687**

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 6 TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L55101DL2007PLC157518
ii.	Registration Date	:	8 <sup>th</sup> January, 2007
iii.	Name of the Company	:	Asian Hotels (West) Ltd.
iv.	Category	:	Company Limited by Shares
v.	Sub- Category of the Company	:	Indian Non-Government Company (Hospitality Industry)
vi.	Address of the registered office and contract details	:	6 <sup>th</sup> Floor, Aria Towers, J.W. Marriott, New Delhi Aerocity, Asset Area 4, Hospitality District, Near IGI Airport, New Delhi-110037 Ph No-011-46101208/210
vii.	Whether listed company	:	YES
viii.	Name, Address and Contract details of Registrar and Transfer Agent:	:	M/s Karvy Fintech Pvt. Ltd. Karvy Selenium Tower-B", Plot No 31 & 32, Gaehibowli Financial District, Nanankramguda, Serilinggampally, Hyderabad-500032 Tel No : 040-23420815-24 Fax No : 040-23420814 E Mail : mailmanager@karvy.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No	Name and Description of main products/ services	NIC Code of the Product/ Services	% to total turnover of the Company
1	Hotel	55101	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held (Equity)	Applicable Section
1	Aria Hotels And Consultancy Services Pvt. Ltd.	U74140DL2007PTC163275	Subsidiary	99.98	2(87) (ii)

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31-03-2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31-03-2019				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	2426037	0	2426037	21.17	2488863	0	2488863	21.36	0.19
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	102936	0	102936	0.90	103870	0	103870	0.89	-0.01
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	2528973	0	2528973	22.07	2592733	0	2592733	22.25	0.18

# ASIAN HOTELS (WEST) LIMITED

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31-03-2018				NO. OF SHARES HELD AT THE END OF THE YEAR 31-03-2019				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	5336880	0	5336880	46.58	5384555	0	5384555	46.21	-0.36
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>5336880</b>	<b>0</b>	<b>5336880</b>	<b>46.58</b>	<b>5384555</b>	<b>0</b>	<b>5384555</b>	<b>46.21</b>	<b>-0.36</b>
	<b>Total A=A(1)+A(2)</b>	<b>7865853</b>	<b>0</b>	<b>7865853</b>	<b>68.65</b>	<b>7977288</b>	<b>0</b>	<b>7977288</b>	<b>68.47</b>	<b>-0.18</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	195	230	425	0.00	14524	0	14524	0.12	0.12
(b)	Financial Institutions / Banks	96549	6567	103116	0.90	66418	6322	72740	0.62	-0.28
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	3234	380	3614	0.03	2534	185	2719	0.02	-0.01
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>99978</b>	<b>7177</b>	<b>107155</b>	<b>0.94</b>	<b>83476</b>	<b>6507</b>	<b>89983</b>	<b>0.77</b>	<b>-0.16</b>
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	871554	5626	877180	7.66	882138	5571	887709	7.62	-0.04
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	702905	184902	887807	7.75	701444	152648	854092	7.33	-0.42
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	389259	0	389259	3.40	505728	0	505728	4.34	0.94
(c)	<b>Others</b>									
	CLEARING MEMBERS	992	0	992	0.01	675	0	675	0.01	0.00
	FOREIGN BODIES	18840	0	18840	0.16	18840	0	18840	0.16	0.00
	I E P F	54647	0	54647	0.48	68678	0	68678	0.59	0.11
	NON RESIDENT INDIANS	1179307	64425	1243732	10.85	1178178	57399	1235577	10.60	-0.25
	NRI NON-REPATRIATION	12838	0	12838	0.11	12640	0	12640	0.11	0.00
(d)	<b>Qualified Foreign Investor</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>3230342</b>	<b>254953</b>	<b>3485295</b>	<b>30.42</b>	<b>3368321</b>	<b>215618</b>	<b>3583939</b>	<b>30.76</b>	<b>0.34</b>
	<b>Total B=B(1)+B(2) :</b>	<b>3330320</b>	<b>262130</b>	<b>3592450</b>	<b>31.35</b>	<b>3451797</b>	<b>222125</b>	<b>3673922</b>	<b>31.53</b>	<b>0.18</b>
	<b>Total (A+B) :</b>	<b>11196173</b>	<b>262130</b>	<b>11458303</b>	<b>100.00</b>	<b>11429085</b>	<b>222125</b>	<b>11651210</b>	<b>100.00</b>	<b>0.00</b>
<b>(C)</b>	<b>Shares held by custodians, against which</b>	0	0	0	0	0	0	0	0	0
	Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
(1)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C)</b>	<b>11196173</b>	<b>262130</b>	<b>11458303</b>	<b>100.00</b>	<b>11429085</b>	<b>222125</b>	<b>11651210</b>	<b>100.00</b>	

# ASIAN HOTELS (WEST) LIMITED

## ii) Shareholding of Promoters:

S. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Share holding at the end of the year (31.03.2019)			% change in share holding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	D.S.O Limited	5336880	46.58	Nil	5384555	46.21	Nil	-0.36
2.	Chaman Lal Gupta And Sons HUF	500287	4.37	Nil	350287	3.01	Nil	-1.36
3.	Mr. Sushil Kumar Gupta	538402	4.70	Nil	619047	5.31	Nil	0.61
4.	Mr. Sudhir Gupta	214290	1.87	Nil	214290	1.84	Nil	-0.03
5.	Mrs. Vinita Gupta	458926	4.01	Nil	458926	3.94	Nil	-0.07
6.	Mr. Sandeep Gupta	432631	3.78	Nil	531298	4.56	Nil	0.78
7.	Mrs. Gunjan Jain	77700	0.68	Nil	77700	0.67	Nil	-0.01
8.	Mrs. Renu Arun Aggarwal	49500	0.43	Nil	49500	0.42	Nil	-0.01
9.	Mrs. Madhu Jain	68201	0.60	Nil	101715	0.87	Nil	0.28
10.	Mr. Pankaj Gupta	55275	0.48	Nil	55275	0.47	Nil	-0.01
11.	Mrs. Jyotsana Amal Karl	14325	0.13	Nil	14325	0.12	Nil	0.00
12.	Mrs. Sonal Sharma	16500	0.14	Nil	16500	0.14	Nil	0.00
13.	CLG Hotels and Resorts Pvt. Ltd.	102936	0.90	Nil	103870	0.89	Nil	-0.01
<b>TOTAL</b>		<b>7865853</b>	<b>68.65</b>	<b>Nil</b>	<b>7977288</b>	<b>68.47</b>	<b>Nil</b>	<b>-0.18</b>

\*During the Financial Year 2018-19 the number of Equity Shares has been increased from 1,14,58,303 to 1,16,51,210.

## iii) Change in Promoters' Shareholding

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
	<b>AT THE BEGINNING OF THE YEAR</b>	<b>7865853</b>	<b>68.65</b>				<b>7865853</b>	<b>68.65</b>
	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>							
1.	D.S.O. Limited	5336880	46.58	01-04-2018				
				10-08-2018	47675	Preferential Allotment of Equity Share	5384555	46.21
		5384555	46.21	31.03.2019				
2.	Mr. Sushil Kumar Gupta	538402	4.70	01-04-2018				
				10.08.2018	80645	Preferential Allotment of Equity Share	619047	5.31
		619047	5.31	31.03.2019				
3.	M/s Chaman Lal Gupta and Sons, HUF	500287	4.37	01-04-2018				
				18-06-2018	50000	On Market sale	450287	3.93
				22-06-2018	100000	On Market sale	350287	3.05
		350287	3.01*	31-03-2019				

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
4.	Mrs. Vinita Gupta	458926	4.01	01-04-2018	Nil	*Preferential Allotment of Equity Shares	Nil	Nil
		458926	3.94*	31-03-2019				
5.	Mr. Sandeep Gupta	432631	3.78	01-04-2018				
				06.04.2018	799	Open Market Purchase	433430	3.78
				13.04.2018	2261		435691	3.80
				10.08.2018	48387	Preferential Allotment of Equity Share	484078	4.15
				31.08.2018	119	Open Market Purchase	484197	4.16
				07.09.2018	229		484426	4.16
				14.09.2018	836		485262	4.16
				21.09.2018	295		485557	4.17
				28.09.2018	1839		487396	4.18
				05.10.2018	5551		492947	4.23
				12.10.2018	680		493627	4.24
				26.10.2018	257		493884	4.24
				02.11.2018	681		494565	4.24
				30.11.2018	72		494637	4.25
				07.12.2018	100		494737	4.25
				14.12.2018	130		494867	4.25
				21.12.2018	1053		495920	4.26
				28.12.2018	441		496361	4.26
				04.01.2019	146		496507	4.26
				18.01.2019	295		496802	4.26
				25.01.2019	90		496892	4.26
				01.02.2019	18007		514899	4.42
				08.02.2019	8319		523218	4.49
				22.02.2019	2975		526193	4.52
				01.03.2019	1232		527425	4.53
				08.03.2019	868		528293	4.53
				15.03.2019	617		528910	4.54
				22.03.2019	1185		530095	4.55
				29.03.2019	1203		531298	4.56
		531298	4.56	31-03-2019				
6.	Mr. Sudhir Gupta	214290	1.87	01-04-2018	Nil	*Preferential Allotment of Equity Shares	Nil	Nil
		214290	1.84*	31-03-2019				
7.	CLG Hotels and Resorts Pvt. Ltd.	102936	0.90	01-04-2018				
				06-04-2018	700	Open Market Purchase	103636	0.90
				06-04-2018	100		103736	0.90
				06-04-2018	50		103786	0.90
				13-04-2018	84		103870	0.91
		103870	0.89*	31-03-2019				
8.	Mrs. Gunjan Jain	77700	0.68	01-04-2018	Nil	*Preferential Allotment of Equity Shares	Nil	Nil
		77700	0.67*	31-03-2019				
9.	Mrs. Madhu Jain	68701	0.60	01-04-2018				



# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				06-07-2018	33514	Received as Gift	102215	0.89
		102215	0.88	31-03-2019				
10.	Mr. Pankaj Gupta	55275	0.48	01-04-2018	Nil	*Preferential Allotment of Equity Shares	Nil	Nil
		55275	0.47*	31-03-2019				
11.	Mrs. Renu Arun Aggarwal	49500	0.43	01-04-2018	Nil	*Preferential Allotment of Equity Shares	Nil	Nil
		49500	0.42*	31-03-2019				
12.	Mrs. Sonal Sharma	16500	0.14	01-04-2018	Nil	N.A	Nil	Nil
		16500	0.14	31-03-2019				
13.	Mrs. Jyotsana Amal Karl	14325	0.13	01-04-2018	Nil	*Preferential Allotment of Equity Shares	Nil	Nil
		14325	0.12*	31-03-2019				
	<b>AT THE END OF THE YEAR</b>	<b>7977288</b>	<b>68.47</b>	<b>31.03.2019</b>			<b>7977288</b>	<b>68.47</b>

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Radhe Shyam Saraf	572071	4.99	01-04-2018	Nil	N.A	Nil	Nil
		572071	4.91	31-03-2019				
2.	Ms. Ratna Saraf	529100	4.62	01-04-2018	Nil	N.A	Nil	Nil
		529100	4.54	31-03-2019				
3.	M/s Asian Hotels (East) Limited.	524438	4.58	01-04-2018	Nil	N.A	Nil	Nil
		524438	4.50	31-03-2019				
4.	Mr. Mahinder Kumar Jain	100000	0.87	01-04-2018				
				26-10-2018	1650	Open Market Purchase	101650	0.87
		101650	0.87	31-03-2019				
5.	Mr. Sunil Hanskrishna Khanna	91087	0.79	01-04-2018	Nil	N.A	Nil	Nil
		91087	0.78	31-03-2019				
6.	M/s Burmans Finvest Pvt. Ltd.	71608	0.62	01-04-2018	Nil	N.A	Nil	Nil
		71608	0.61	31-03-2019				
7.	Punjab National Bank	63199	0.55	01-04-2018				
				20-04-2018	-19287	Open Market Sale	43912	0.38
				27-04-2018	-2579	Open Market Sale	41333	0.36
		41333	0.36	31-03-2019				
8.	Mr. Rajinder Kumar Aneja	60506	0.53	01.04.2018				
				30-11-2018	-60000	Open Market Sale	506	0.00
		506	0.00	31.03.2019				

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
9.	Mr. Kishore Mishrilal Bang	Nil	Nil	01.04.2018				
				13-04-2018	322	Open Market Purchase	322	0
				22-06-2018	10000	Open Market Purchase	10322	0.09
				29-06-2018	50000	Open Market Purchase	60322	0.53
		60322	0.52	31.03.2019				
10	Ms. Neeta Bansal	Nil	Nil	01-04-2018				
				30-11-2018	60000	Open Market Purchase	60000	0.51
		60000	0.51	31-03-2019				
11	Investor Education and Protection Fund Authority	54647	0.48	01-04-2018				
				01-02-2019	58	Transfer to IEPF Authority	54705	0.48
				15-02-2019	13973		68678	0.59
		68678	0.59	31-03-2019				
12	Ms Suman Bang	Nil	Nil	01-04-2018				
				29-06-2018	50000		50000	0.44
		50000	0.44	31-03-2019				
13.	Fineline Holding Ltd.	37681	0.33	01-04-2018	Nil	N.A	Nil	Nil
		37681	0.33	31-03-2019				

## v) Shareholding of Directors and Key Managerial Personnel:

Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):

S. No	Name of the Director/KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Sushil Kumar Gupta	538402	4.70	01-04-2018				
				10-08-2018	80645	Preferential Allotment of Equity Share	619047	5.31
		619047	5.31	31.03.2019				
2.	Mr. Sandeep Gupta	432631	3.78	01-04-2018				
				06.04.2018	799	Open Market Purchase	433430	3.78
				13.04.2018	2261		435691	3.80
				10.08.2018	48387	Preferential Allotment of Equity Share	484078	4.15
				31.08.2018	119	Open Market Purchase	484197	4.16
				07.09.2018	229		484426	4.16
				14.09.2018	836		485262	4.16
				21.09.2018	295		485557	4.17
				28.09.2018	1839		487396	4.18
				05.10.2018	5551		492947	4.23
				12.10.2018	680		493627	4.24
				26.10.2018	257		493884	4.24
				02.11.2018	681		494565	4.24
				30.11.2018	72		494637	4.25
				07.12.2018	100		494737	4.25
				14.12.2018	130		494867	4.25

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Director/KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No of Shares at the beginning (01-04-2018) / end of the year (31-03-2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				21.12.2018	1053		495920	4.26
				28.12.2018	441		496361	4.26
				04.01.2019	146		496507	4.26
				18.01.2019	295		496802	4.26
				25.01.2019	90		496892	4.26
				01.02.2019	18007		514899	4.42
				08.02.2019	8319		523218	4.49
				22.02.2019	2975		526193	4.52
				01.03.2019	1232		527425	4.53
				08.03.2019	868		528293	4.53
				15.03.2019	617		528910	4.54
				22.03.2019	1185		530095	4.55
				29.03.2019	1203		531298	4.56
		531298	4.56	31-03-2019				
3.	Mr. Sudhir Gupta	214290	1.87	01-04-2018	Nil	*Preferential Allotment of Equity Share	Nil	Nil
		214290	1.84*	31-03-2019				
4.	Dr. Lalit Bhasin	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	31-03-2019				
5.	Mr. Raj Kumar Bhargava	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
				31-03-2019				
6.	Mr. Surendra Singh Bhandari	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	31-03-2019				
7.	Mr. Sunil Vasant Diwakar (resigned w.e.f. 18 <sup>th</sup> July, 2018)	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	31-03-2019				
8.	Mr. Surinder Singh Kohli	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	18-07-2018				
9.	Mrs. Meeta Makhan	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	31-03-2019				
10.	Mr. Rakesh Kumar Aggarwal	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	31-03-2019				
11.	Mr. Vivek Jain	Nil	Nil	01-04-2018	Nil	N.A	Nil	Nil
		Nil	Nil	31-03-2019				

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
a) Principal Amount	1,879,262,875	-	-	1,879,262,875
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	17,608,101	-	-	17,608,101
<b>Total (i+ii+iii)</b>	<b>1,896,870,976</b>	-	-	<b>1,896,870,976</b>

# ASIAN HOTELS (WEST) LIMITED

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
Addition	293,209,006	70,004,638		363,213,644
Reduction	-	-	-	-
<b>Net Change</b>	<b>293,209,006</b>	<b>70,004,638</b>	<b>-</b>	<b>363,213,644</b>
<b>Indebtedness at the end of the financial year</b>				
a) Principal Amount	2,171,421,493	65,000,000		2,236,421,493
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	18,658,489	5,004,638		23,663,127
<b>Total (i+ii+iii)</b>	<b>2,190,079,982</b>	<b>70,004,638</b>	<b>-</b>	<b>2,260,084,620</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs. lacs)

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Sushil Kumar Gupta, CMD	Mr. Sudhir Gupta, WTD	Mr. Sandeep Gupta, WTD	
<b>1. Gross Salary</b>					
a) Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961		165.78	139.36	139.36	<b>444.50</b>
b) Value of perquisites u/s 17 (2) Income –tax Act, 1961		0.39	0.39	0.39	<b>1.17</b>
c) Profits in Lieu of salary under section 17(3) Income-tax Act, 1961		Nil	Nil	Nil	<b>Nil</b>
<b>2. Stock Option</b>		Nil	Nil	Nil	<b>Nil</b>
<b>3. Sweat Equity</b>		Nil	Nil	Nil	<b>Nil</b>
<b>4. Commission paid</b>		Nil	Nil	Nil	<b>Nil</b>
- As % of profit		Nil	Nil	Nil	<b>Nil</b>
- Other, specify...		Nil	Nil	Nil	<b>Nil</b>
<b>5. Other, please specify</b>		Nil	Nil	Nil	<b>Nil</b>
<b>Total (A)</b>		<b>166.18</b>	<b>139.75</b>	<b>139.75</b>	<b>445.67</b>

### b. Remuneration to other directors:

(Amount in Rs. lacs)

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Raj Kumar Bhargava	Dr. Lalit Bhasin	Mr. Surendra Singh Bhandari	Mr. Surinder Singh Kohli	Mrs . Meeta Makhan	
<b>1. Independent Directors</b>							
a) Fee for attending board committee meetings		3.00	1.00	2.40	1.20	1.20	<b>8.80</b>
b) Commission paid		Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
c) Others, please specify- conveyance		Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>2. Other Non-Executive Directors</b>		<b>Mr. Sunil Diwakar (resigned w.e.f. 18<sup>th</sup> July, 2018)</b>					
a) Fees for attending board committee meetings		Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
b) Commission paid		Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
c) Other, please specify		Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
<b>Total (2)</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total (B) =(1 + 2)</b>							<b>8.80</b>
Total (including sitting fees)*							<b>454.47</b>

\*Company pays sitting fees of Rs.20000/- per meeting of the Board & committee attended. Companies Act, 2013 has prescribed that sitting fees shall not exceed Rs. 1 Lakh per meeting of the Board or Committee attended.

# ASIAN HOTELS (WEST) LIMITED

## c. Remuneration to Key Managerial Personnel Other Than MD/ Manager/WTD

(Amount in Rs. lacs)

Sl No.	Particulars of Remuneration	CFO	Company Secretary	Total
1.	Gross Salary	<b>Mr. Rakesh Kumar Aggarwal</b>	<b>Mr. Vivek Jain</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	59.18	33.16	92.34
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.39	Nil	0.39
	(c) Profit in lieu of salary under section 17(3) of Income tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A
4.	Commission paid	N.A	N.A	N.A
	- as % of profit	N.A	N.A	N.A
	- other, specify	N.A	N.A	N.A
5.	Others (employer contribution to provident fund)	3.49	1.66	5.15
	<b>Total</b>	<b>63.06</b>	<b>34.82</b>	<b>97.88</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ Punishment/ Compounding of offences for the year ending 31<sup>st</sup> March, 2019

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Asian Hotels (West) Limited**  
(L55101DL2007PLC157518)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asian Hotels (West) Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 *(not applicable as the Company has not formulated any Employee Stock Option Purchase Scheme)*;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(not applicable to the Company during the period of audit)*;
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(not applicable to the Company during the period of audit)*
  - h) The Securities and Exchange Board of India (Delisting Equity Shares) Regulations, 2009; *(not applicable to the Company during the period of audit)*; and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(not applicable to the Company during the period of audit)*
- (vi) We further, report that with respect to the compliance of the below mentioned law, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management:-

- i. Food Safety and Standard Act, 2006 and Rules/ Regulations

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India. The Company is generally regular in complying with the standards.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. That Mr. Sandeep Gupta, Whole Time Director of the Company is also continuing to hold the office of whole time KMP (i.e. Managing Director) in other Company (Eden Park Hotels Private Limited), in view of the order dated March 29, 2017 of the Hon'ble National Company Law Board, Principal Bench, New Delhi. Consequently, Mr. Sandeep Gupta cannot vacate the office of Managing Director in that Other Company to comply with Section 203 of the Companies Act, 2013, till the subsistence of the said order.
2. That the Company has been generally regular in filing all the forms with the Registrar of Companies except one.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except few Board and Committee Meetings which were held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company had following specific events/actions that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- Increased in the Authorized Share Capital of the Company and consequential amendment of the Capital Clause in the Memorandum of Association of the Company.
- Issued and allotted 192,907 Equity Shares of Rs. 10/- each (Rupees Ten Only) fully paid up at Rs. 310/- (Rupees Three Hundred Ten Only) (including premium of Rs. 300/- per share) by way of preferential allotment.
- Issued and allotted 6,500,000 9% Non – Convertible, Non – Cumulative Redeemable Preference Shares (NCRPS) of face value of Rs. 10/- each (Rupees Ten Only) for cash fully paid-up at Rs. 10/- each (Rupees Ten Only) on preferential basis.

**For PI & Associates,  
Company Secretaries**

**Nitesh Latwal  
Partner**

**ACS No.: A32109  
C P No.: 16276**

Date: May 14, 2019  
Place: New Delhi

*This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.*

To,  
The Members,  
**Asian Hotels (West) Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PI & Associates,  
Company Secretaries**

**Nitesh Latwal  
Partner  
ACS No.: A32109  
C P No.: 16276**

Date: May 14, 2019  
Place: New Delhi



# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 8 TO THE DIRECTORS' REPORT

### FORM NO. AOC-2

[pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and rule 8(2) of the Companies (Accounts) Rule, 2014]

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

- A. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2019 : **Not Applicable**
- B. Details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2019 are as follows

Sl. No	Name of Related Party and Nature of relationship	Nature of Contract/ arrangements/ transactions	Duration of Contract / arrangements/ transactions	Sailent terms of the Contracts or arrangements or transactions including the value, if any:	Amount Paid as advance, if any (amount in Rs.)
1	M/s Aria Hotels and Consultancy Services Pvt Ltd (Subsidiary of the Company)	GST paid on IFRSD on commercial space acquired by company in JW Marriott commercial Tower	Monthly Transaction	Payment of GST on Interest Free Refundable Security Deposit for commercial space acquired by Company in the J.W. Marriott Hotel Commercial Tower in terms of following Agreements entered into with Aria: i) Agreement dated 18th September, 2012 (valid upto 1st May, 2036 further extension of 30 Years) for commercial space on 6th Floor (Unit 6AD) at Aria Towers, J.W. Marriott. Company has further sublicensed the space to Michelle Susan Dell Foundation ii) Agreement dated 20th February, 2013 (valid upto 19th February, 2028) for commercial space on 6th Floor (Unit 6BC) at Aria Towers, J.W. Marriott. Company is using the space to for its corporate office.	75,11,136
		Licence Fee for the Financial Year 2018-19 (Excluding GST amount)	One Time Transaction	As per terms of Sub licence agreement executed between Asian Hotels (West) Ltd. and Aria Hotels and Consultancy Services Pvt. Ltd. dated 18th September, 2012	9,83,766
		Unsecured Loan	One Time Transaction	Unsecured Loan received back	15,00,00,000
2	M/s Bhasin & Company	Professional services	Monthly Transaction	Legal Retainership fees as well as for hearing in a consumer court case.	2,18,280
3	Ms. Sukriti Gupta	Professional services	Monthly Transaction	Consultancy Fees	6,00,000
4	Mr. Sidharth Aggarwal	Professional services	Monthly Transaction	Professional Fee / Re-imbursement of expenses for advise on legal matter/ appearance fee / re-imbursement of expenses etc. for various legal matters.	7,34,500
5	M/s Aria International Ltd.	Unsecured Loan	One Time Transaction	Unsecured Loan taken	1,90,00,000
			One Time Transaction	Repayment of Unsecured loan (including Interest)	1,92,08,219

Appropriate approvals have been taken for Related Party Transactions in the Audit Committee Meeting(s) and Board Meeting(s), respectively

Details of all Related Party Transactions are given in note no 42 of the Financial Statement for the Financial Year ended March 31, 2019

### PARTICULARS AS PER THE COMPANIES (ACCOUNT) RULES, 2014

#### A. CONSERVATION OF ENERGY

S. NO.	STEPS TAKEN ON CONSERVATION OF ENERGY DURING THE YEAR 2018-19	IMPACT (SAVINGS IN LAC RS. PER ANNUM)
1	Replacement of Condenser water pumps.	13.27
2	Energy efficient AHU Replacement (Fans & Coil).	14.65
3	CFL to LED in guest rooms (Bedside and pedestal lamps).	1.32
4	Halogen to Led (Pillar lamps).	3.76
5	Primary pump VFD installation	6.55
6	TFA unit with EC fans	7.42
	<b>Total savings</b>	<b>46.97</b>

S. NO.	STEPS TAKEN FOR UTILIZING ALTERNATE SOURCE OF ENERGY DURING THE YEAR 2018-19	IMPACT (SAVINGS IN LAC RS. PER ANNUM)
1	The Company has actively negotiated and entered into a Power Purchase Agreement under Open Access Scheme to buy cheaper power & through owned captive 1 MW Solar Plant at Satara, Maharashtra	386.77
	<b>Total savings</b>	<b>386.77</b>

S. NO.	ADDITIONAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS – PROPOSAL FOR THE YEAR 2019-20	IMPACT (SAVINGS IN LAC RS. PER ANNUM)
1	Demand flow management in HVAC system.	40.00
2	Energy efficient AHU Replacement (Fans & Coil).	8.00
3	TFA unit with EC fans	4.00
	<b>Total savings</b>	<b>52.00</b>

#### B. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.

(Rs. in lakhs)

	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>Foreign Exchange earnings (on receipt basis)</b>	<b>6822.73</b>	7135.62
<b>Foreign Exchange outgo (on payment basis)</b>	<b>1287.84</b>	1198.92

# ASIAN HOTELS (WEST) LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of Asian Hotels (West) Limited

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of Asian Hotels (West) Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 its profit/loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Contingent liabilities not provided for (as described in note 39 of the standalone Ind AS financial statements) :	
As of March 31, 2019, the Company has disclosed contingent liabilities of Rs.21.98 crores relating to tax and legal litigations.  Taxation, and legal litigation exposures have been identified as a key audit matter due to the tax and legal claims against the Company.  There is significant judgement required in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the consolidated Ind AS financial statements.  Accordingly, tax and legal litigation exposures was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	Our audit procedures included, amongst others:  a. Gained an understanding of the process of identification and assessment of tax and legal litigation exposures, and evaluated the design and tested the operating effectiveness of key controls.  b. Obtained the Company's taxation and legal litigation cases summary and assessed the management's evaluation of expected tax and legal litigation exposures through assessment of underlying documents and discussions with the Company management.  c. Obtained confirmation, where appropriate, from relevant third party legal counsel and made inquiries with them regarding material cases. Evaluated the objectivity, independence, competence and relevant experience of third party legal counsel.  d. Engaged tax specialists to assess management's application and interpretation of tax legislation affecting the Company, and to consider the quantification of exposures in the various tax jurisdictions.  e. Checked the adequacy of the disclosures with regard to facts and circumstances of the tax and legal litigations exposures

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

# ASIAN HOTELS (WEST) LIMITED

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In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure 1" 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 39 to the standalone Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Atul Seksaria**

Partner

Membership Number: 086370

Place of Signature: New Delhi

Date: May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

**Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date**

**Re: Asian Hotels (West) Limited (the Company)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company. As explained to us, the title deeds of land have been given as security (mortgage and charge) against the term loan taken from banks and therefore the same could not be made available to us for verification.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company, in the previous year had granted interest free unsecured loan to its subsidiary company (i.e. Aria Hotels and Consultancy Services Private Limited where it has substantial interest) covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan were not prima facie prejudicial to the Company's interest.
- (b) The interest free unsecured loan granted by the Company to its subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013 was repayable on demand. The loan has been repaid during the year by the subsidiary company.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	87.13	FY 2011-12	Joint Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	55.40	FY 2012-13	Joint Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	12.22	FY 2013-14	Deputy Commissioner of Sales Tax
Finance Act, 1994	Demand for Refund of service tax	55.56	September 2002 to September 2006	CESTAT Mumbai
The Custom Act, 1962 (Foreign Trade Policy 2009-2014)	Denial of duty credit entitlement under the SFIS Scheme	1200.21	FY 2009-10 to 2015-16	Hon'ble High Court of Delhi

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institution or bank. The Company did not have any outstanding dues in respect of government or debentures during the year.

# ASIAN HOTELS (WEST) LIMITED

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- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments. Further, in our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loan for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Atul Seksaria**

Partner

Membership Number: 086370

Place: New Delhi

Date: May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

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## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF Asian Hotels (West) Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Asian Hotels (West) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**per Atul Seksaria**  
Partner  
Membership Number: 086370

Place of Signature: New Delhi  
Date: May 21, 2019



# ASIAN HOTELS (WEST) LIMITED

## BALANCE SHEET AS AT 31 MARCH 2019

(All amount in Rs. lakhs, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	23,622.52	23,851.05
(b) Capital work-in-progress	4	55.89	205.55
(c) Financial assets			
(i) Investments	5	32,745.80	23,216.20
(ii) Other financial assets	6	111.77	131.98
(d) Non current tax assets (Net)	7	67.16	68.19
(e) Other non current assets	8	2,651.99	2,641.91
		<u>59,255.13</u>	<u>50,114.88</u>
<b>(2) Current assets</b>			
(a) Inventories	9	228.06	256.53
(b) Financial assets			
(i) Investments	10	3.57	826.85
(ii) Trade receivables	11	722.90	931.36
(iii) Cash and cash equivalents	12	36.95	43.19
(iv) Bank balances other than (iii) above	13	24.19	250.09
(v) Loans	14	0.97	1,500.84
(vi) Other financial assets	15	13.75	-
(c) Other current assets	16	776.18	1,007.12
(d) Assets held for sale	17	-	11.48
		<u>1,806.57</u>	<u>4,827.46</u>
<b>TOTAL ASSETS</b>		<u><b>61,061.70</b></u>	<u><b>54,942.34</b></u>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	1,165.12	1,145.83
(b) Other equity	19	31,603.64	28,500.22
		<u>32,768.76</u>	<u>29,646.05</u>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	21,712.75	18,730.56
(ii) Other financial liabilities	21	167.67	180.68
(b) Provisions	22	462.20	379.31
(c) Deferred tax liabilities (net)	23	1,770.10	3,202.47
(d) Other non current liabilities	24	57.14	75.33
		<u>24,169.86</u>	<u>22,568.35</u>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	25	1,028.79	161.62
(ii) Trade payables	26		
- outstanding dues of micro enterprises and small enterprise		58.35	-
- outstanding dues of creditors other than micro enterprises and small enterprises		467.94	431.89
(iii) Other financial liabilities	27	1,733.59	1,188.67
(b) Other liabilities	28	610.78	742.42
(c) Provisions	29	223.63	203.34
		<u>4,123.08</u>	<u>2,727.94</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>61,061.70</b></u>	<u><b>54,942.34</b></u>

Statement of corporate information and significant accounting policies

1 & 2

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)			
	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
<b>I</b> Revenue from operations	30	<b>14,884.29</b>	13,853.77
<b>II</b> Other income	31	<b>1,058.25</b>	1,378.25
<b>III Total income (I+II)</b>		<b>15,942.54</b>	15,232.02
<b>IV EXPENSES</b>			
Cost of consumption of food, beverages and others	32	<b>1,316.16</b>	1,324.05
Employee benefits expense	33	<b>3,383.43</b>	3,215.98
Finance costs	34	<b>2,625.37</b>	2,328.77
Depreciation and amortisation expense	35	<b>746.13</b>	1,594.60
Other expenses	36	<b>6,213.99</b>	6,170.81
<b>Total expenses (IV)</b>		<b>14,285.08</b>	14,634.21
<b>V Profit/(loss) before tax (III-IV)</b>		<b>1,657.46</b>	597.81
<b>VI Tax expense</b>	37		
(1) Current tax		<b>459.21</b>	216.92
(2) Minimum Alternate Tax Credit Entitlements		<b>(38.90)</b>	(28.25)
(3) Income tax adjustment related to earlier years		<b>1.74</b>	4.46
(4) Deferred tax		<b>(1,430.95)</b>	(15.64)
<b>Total tax expense (VI)</b>		<b>(1,008.90)</b>	177.49
<b>VII Profit/(loss) for the year (V-VI)</b>		<b>2,666.36</b>	420.32
<b>VIII Other comprehensive income / (Loss)</b>			
Items that will not be reclassified to profit or loss:			
- Remeasurement gains/(losses) on defined benefit obligation		<b>(4.90)</b>	28.40
- Income tax on above items		<b>1.43</b>	(9.39)
<b>Total other comprehensive income (net of tax)</b>		<b>(3.47)</b>	19.01
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>2,662.89</b>	439.33
<b>X Earning per equity share of face value of Rs. 10 each</b>	38		
'Basic earnings per equity share (Rs.)		<b>23.00</b>	3.83
'Diluted earnings per equity share (Rs.)		<b>23.00</b>	3.83
Statement of corporate information and significant accounting policies	1 & 2		

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

**FOR S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**ATUL SEKSARIA**

Partner

Membership No. 086370

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole Time) Director  
DIN : 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer  
PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary  
Membership No. : FCS - 7204

Place : New Delhi

Dated : Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Cash flow from operating activity</b>		
Net profit before tax (I)	1,657.46	597.81
Adjustment for:		
Depreciation & amortisation	746.13	1,594.60
Loss on sale of property, plant and equipment	30.89	68.09
Provision for doubtful debts	8.30	-
Advance written off	105.00	-
Dividend income on investments	(12.89)	22.75
Fair value gain on financial assets at fair value through profit or loss (FVTPL)	(289.60)	(868.80)
Unwinding of security deposit	(20.42)	-
Finance Income	(6.20)	(11.56)
Other Income (including fair value change adjustments)	-	-
Finance and other costs (including fair value change adjustments)	2,625.37	2,328.78
Amortisation of security deposit paid	65.39	107.59
Government grant	1.50	1.98
<b>Total (II)</b>	<b>3,253.47</b>	<b>3,243.43</b>
<b>Operating profit before working capital charges (I+II)</b>	<b>4,910.93</b>	<b>3,841.24</b>
Adjustments for:		
(Increase)/Decrease in inventories	28.47	75.06
(Increase)/Decrease in trade receivables	200.16	(168.55)
(Increase)/Decrease in financial assets and other assets	1,539.50	185.45
Increase/(Decrease) in trade payables	94.40	(96.90)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	(223.39)	435.26
	<b>1,639.14</b>	<b>430.32</b>
<b>Cash generated from operations</b>	<b>6,550.07</b>	<b>4,271.56</b>
Direct taxes paid (Net)	(412.10)	(139.18)
<b>Net cash from Operating Activities (A)</b>	<b>6,137.97</b>	<b>4,132.38</b>
<b>Cash flow from investing activity</b>		
Purchase of property, plant and equipment	(360.35)	(1,119.93)
Sale of property, plant and equipment	18.42	693.68
Purchase of mutual funds	-	(822.68)
Investment in subsidiary	(9,240.00)	-
Proceeds from redemption of mutual funds	836.17	-
Proceeds from/(Investment in) shares	-	0.67
Dividend income on investment	-	(22.75)
<b>Net Cash used in Investing Activities (B)</b>	<b>(8,745.76)</b>	<b>(1,271.01)</b>
<b>Cash flow from financing activity</b>		
Proceeds from long term borrowings	3,130.00	-
Repayment of long term borrowings	(364.60)	(607.78)
Net proceeds from short term borrowings	867.17	-
Proceeds from issue of equity shares	597.95	-
Proceeds from issue of 9% Non Convertible & Non Cumulative redeemable Preference share capital	650.00	-
Finance costs paid	(2,390.93)	(2,348.83)
Dividend paid	(138.13)	-
<b>Net Cash (used in)/ from Financing activities (C)</b>	<b>2,351.46</b>	<b>(2,956.61)</b>
<b>Net decrease in Cash and cash equivalents [A+B+C]</b>	<b>(256.33)</b>	<b>(95.24)</b>
Cash and cash equivalent at the beginning of the year	293.28	388.52
Cash and cash equivalent at the end of the year	36.95	293.28

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

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### A Share capital

Particulars	Equity Shares	
	Numbers	INR lakhs
Balance as at April 1, 2017	11,458,303	1,145.83
Change during the year	-	-
Balance as at March 31, 2018	11,458,303	1,145.83
Shares issued during the year	192,907	19.29
Closing balance as at March 31, 2019	11,651,210	1,165.12

### B Other equity

	Reserves and surplus					Total
	Retained earnings	General reserve	Capital reserve	Securities premium account	Capital redemption reserve	
Balance as at April 1, 2017	11,408.74	15,653.24	1.41	144.36	990.00	28,197.76
Profit for the year	420.32	-	-	-	-	420.32
Other comprehensive income for the year (net of tax)	19.01	-	-	-	-	19.01
Transaction with owners in their capacity as owners:						
Dividend	(114.58)	-	-	-	-	(114.58)
Tax on dividend	(22.29)	-	-	-	-	(22.29)
Balance as at March 31, 2018	11,711.20	15,653.24	1.41	144.36	990.00	28,500.22
Profit for the year	2,666.36	-	-	-	-	2,666.36
Premium received pursuant to issue of shares	-	-	-	578.66	-	578.66
Other comprehensive income for the year (net of tax)	(3.47)	-	-	-	-	(3.47)
Transaction with owners in their capacity as owners:						-
Dividend	(114.58)	-	-	-	-	(114.58)
Tax on dividend	(23.55)	-	-	-	-	(23.55)
Balance as at March 31, 2019	14,235.96	15,653.24	1.41	723.02	990.00	31,603.64

Statement of corporate information and significant accounting policies

1 & 2

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

SUSHIL KUMAR GUPTA

Chairman &  
Managing Director  
DIN : 00006165

SANDEEP GUPTA

Executive  
(Whole Time) Director  
DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer  
PAN No. : AAAPA3338D

VIVEK JAIN

Company Secretary  
Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 1. Corporate information

The Company was incorporated as Chillwinds Hotels Private Limited on January 8, 2007 under the provisions of Companies Act, 1956. The Company had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hotel Hyatt Regency, Mumbai was transferred to and vested in the Company. The name of the Company was changed to Asian Hotels (West) Limited w.e.f February 12, 2010.

The Company is listed on the National Stock Exchange and Bombay Stock Exchange.

### 2. Significant accounting policies

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

#### 2.2 Summary of significant accounting policies

##### a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

##### b. Foreign currencies

The Company's financial statements are presented in INR, which is also the company's functional currency.

##### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### c. Fair value measurement

The Company measures financial instruments, such as, investment in quoted equity shares etc at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

- a) Disclosures for valuation methods, significant estimates and assumptions.
- b) Quantitative disclosures of fair value measurement hierarchy (Note 45).
- c) Financial instruments (including those carried at amortised cost) (Note 45).

### d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company in exchange for transferring control of goods and services to a customer and the revenue can be reliably measured, regardless of when the payment is being made. Effective April 1, 2018, the Company has applied Ind AS 115 which replaced Ind AS 18 revenue recognition. Revenue is measured at the fair value of the consideration received or receivable and net of rebates, Value Added Taxes, Goods and Service Tax and loyalty reward points. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

#### Rendering of services

Revenue from rendering of hospitality services is recognised when the related services are rendered.

#### Rooms, food, beverages, banquet and other services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Sale of food and beverages are recognized at the point of serving these items to the guests. Revenue from other services is recognized as and when services are rendered. The company collects Value added tax (VAT), and GST on behalf of guests, and therefore, these are not economic benefits flowing to the company, hence, these are excluded from revenue.

#### Income from other allied services

In relation to laundry income, communication income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of services rendered.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Interest income

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

### Dividends

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

### e. Government grants

Government grants are recognised on accrual basis. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

If the grant received is to compensate the import cost of assets, and is subject to an export obligation as prescribed in the EPCG scheme, then the recognition of the grant would be linked to fulfilment of the associated export obligations.

### f. Taxes

#### Current income tax

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

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

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### g. Property, plant and equipment

#### **Recognition and Measurement**

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

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

#### **Depreciation**

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Type of asset	Useful lives estimated by the management (years)
Main building (RCC)	60 years
Main building (Non-RCC)	30 years
Components in Building (Roads)	10 years
Plant and machinery	Upto 15 years
Electrical installations and equipment	15 years*
Vehicles used in business of running them on hire	6 years
Vehicles other than those used in a business of running them on hire	8 years
Office equipment	5 years
Computers and data processing units:	
(a) Servers and networks	(a) 6 years
(b) End user devices such as desktops, laptops, etc.	(b) 3 years
Furniture and fittings	8 years

\* The management, based on technical assessment of internal experts, has estimated the life of Electrical installations and equipment as fifteen year 15 years and accordingly, such assets are depreciated over the life of asset which is more than the life prescribed under the schedule II of the Companies Act, 2013.

### h. Borrowing costs

Borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### i. Leases

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

For arrangements entered into prior to 1 April 2016, the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### **Company as a lessee**

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



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

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

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

### **Company as a lessor**

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

### **j. Inventories**

Inventories of food and beverages, liquor / wine & smokes and other operating supplies are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### **k. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### I. Provisions and contingent liabilities

#### General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### m. Retirement and other employee benefits

#### Defined Contribution

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

#### Defined Benefits

The Company operates a defined benefit gratuity plan in India wherein the cost of providing benefits under this obligation is determined on the basis of actuarial valuation at each year-end, which is carried out using the projected unit credit method.

Remeasurement gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past Service Cost are recognized in profit or loss on the either of:

- The date of the plan amendment or curtailment, and date that the company recognizes related restructuring costs.
- The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

#### Other long term employees benefits

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### n. Financial instruments

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Financial assets

#### Initial recognition and measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

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

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

#### Debt instruments at amortised cost

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

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

#### Debt instrument at FVTOCI

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

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

#### Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

#### Equity investments

All equity investments (other than investment in subsidiary) in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

#### Derecognition

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

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

### **Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets that are debt instruments and are measured as at FVTOCI.
- c) Lease receivables under Ind AS 17.
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements).
- e) Loan commitments which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

### **Financial liabilities**

#### **Initial recognition and measurement**

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

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

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

#### **Financial liabilities at amortised costs**

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

# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

Other financial liabilities that are measured at amortised cost include security deposits taken by the Company.

### **Financial guarantee contracts**

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

### **De-recognition**

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

### **Reclassification of financial assets.**

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

### **Offsetting of financial instruments**

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

#### **o. Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **p. Cash dividend to equity holders**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

#### **q. Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **Standards issued but not yet effective**

#### **Ind AS 116 – Leases**

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17

The Company intends to adopt these standards from 1 April 2019 and is currently in the process of assessing the impact of adoption of this standard which is expected to be significant

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 3 Property, plant and equipment

Description	Land - freehold	Buildings	Furniture, fixture & furnishings	Plant & Machinery	Vehicles	Total
<b>Gross carrying value</b>						
<b>As at April 1, 2017</b>	<b>9,684.81</b>	<b>12,145.48</b>	<b>314.53</b>	<b>3,563.66</b>	<b>230.64</b>	<b>25,939.12</b>
Additions	-	-	28.31	1,087.68	24.52	<b>1,140.52</b>
Disposals / Adjustments	-	(45.46)	(0.16)	(76.03)	(68.80)	<b>(190.45)</b>
<b>As at March 31, 2018</b>	<b>9,684.81</b>	<b>12,100.02</b>	<b>342.67</b>	<b>4,575.31</b>	<b>186.37</b>	<b>26,889.18</b>
Additions	-	147.28	96.04	312.11	-	<b>555.43</b>
Disposals / Adjustments	-	(1.68)	(63.11)	(184.00)	-	<b>(248.79)</b>
<b>As at March 31, 2019</b>	<b>9,684.81</b>	<b>12,245.63</b>	<b>375.60</b>	<b>4,703.42</b>	<b>186.37</b>	<b>27,195.83</b>
<b>Accumulated depreciation</b>						
<b>As at April 1, 2017</b>	-	<b>404.37</b>	<b>31.68</b>	<b>1,012.74</b>	<b>48.32</b>	<b>1,497.11</b>
Charge for the year	-	421.41	35.81	1,097.20	40.18	<b>1,594.60</b>
Disposals	-	(4.82)	-	(26.17)	(22.58)	<b>(53.57)</b>
<b>As at March 31, 2018</b>	-	<b>820.96</b>	<b>67.49</b>	<b>2,083.77</b>	<b>65.91</b>	<b>3,038.14</b>
Charge for the year	-	400.20	46.03	273.03	26.88	<b>746.13</b>
Disposals	-	(0.60)	(59.89)	(150.47)	-	<b>(210.96)</b>
<b>As at March 31, 2019</b>	-	<b>1,220.56</b>	<b>53.64</b>	<b>2,206.33</b>	<b>92.79</b>	<b>3,573.31</b>
<b>Net carrying value</b>						
<b>As at March 31, 2019</b>	<b>9,684.81</b>	<b>11,025.07</b>	<b>321.96</b>	<b>2,497.09</b>	<b>93.58</b>	<b>23,622.52</b>
<b>As at March 31, 2018</b>	<b>9,684.81</b>	<b>11,279.06</b>	<b>275.18</b>	<b>2,491.54</b>	<b>120.46</b>	<b>23,851.05</b>

### 4 Capital work-in-progress

Movement of capital work in progress is as follows:

Description	Amount
<b>As at April 1, 2017</b>	<b>804.09</b>
Add: Addition during the year	205.55
Less: Capitalisation during the year	804.09
<b>As at March 31, 2018</b>	<b>205.55</b>
Add: Addition during the year	55.89
Less: Capitalisation during the year	205.55
<b>As at March 31, 2019</b>	<b>55.89</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 5 Investments (Non-current)

#### A Investments at cost

##### (i) Investment in unquoted equity instrument (refer note (i) below)

Particulars	As at March 31, 2019	As at March 31, 2018
Equity shares- 135,984,660 (March 31, 2018 : 63,471,538) of Aria Hotels & Consultancy Services Private Limited of Rs. 10 each	32,745.80	12,501.00
	<b>32,745.80</b>	<b>12,501.00</b>

#### B Investment at fair value through profit and loss

##### (i) Investment in optionally convertible preference shares (OCPS) of subsidiary company

Particulars	As at March 31, 2019	As at March 31, 2018
Nil (March 31, 2018 : 24,133,333) of Aria Hotels & Consultancy Services Private Limited (subsidiary) of Rs. 10 each (refer note (ii) below)	-	10,715.20
	-	10,715.20
<b>Total investments</b>	<b>32,745.80</b>	<b>23,216.20</b>
Aggregate amount of unquoted investments	<b>32,745.80</b>	<b>23,216.20</b>

#### Notes:

- (i) Investments in subsidiary is stated at cost as per Ind AS 27 "Separate Financial Statements".
- (ii) The OCPS of Aria Hotels & Consultancy Services Private Limited subscribed by the company were converted into equity shares of Aria Hotels & Consultancy Services Private Limited on August 9, 2018.

### 6 Other financial assets (non-current)

#### Unsecured , considered good

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	111.77	131.98
<b>Total</b>	<b>111.77</b>	<b>131.98</b>

#### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 7 Income tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax (net of provision for tax)	-	39.94
MAT credit entitlement	67.16	28.25
<b>Total</b>	<b>67.16</b>	<b>68.19</b>

### 8 Other non-current assets

#### (Unsecured, considered good)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital advances	45.51	-
Prepaid expenses	19.75	-
Deferred lease expense on security deposit paid	2,586.73	2,641.91
<b>Total</b>	<b>2,651.99</b>	<b>2,641.91</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 9 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2019	As at March 31, 2018
Wines & liquor	99.93	137.46
Food, beverages and smokes	24.10	19.17
Crockery, cutlery, silverware, linen etc.	72.59	67.32
General stores and spares	31.44	32.58
<b>Total</b>	<b>228.06</b>	<b>256.53</b>

### 10 Investments (Current)

Investments at fair value through profit and loss (FVTPL):

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in mutual funds	-	822.68
Quoted equity shares:		
Investment in quoted equity shares as held for trading	3.57	4.17
<b>Total</b>	<b>3.57</b>	<b>826.85</b>
<b>Aggregate amount of quoted investments</b>	<b>3.57</b>	<b>826.85</b>

### 11 Trade receivables (Unsecured)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good	722.90	931.36
Trade receivables considered doubtful	8.30	-
<b>Total</b>	<b>731.20</b>	<b>931.36</b>
Less : Provision for doubtful debts	(8.30)	-
<b>Total</b>	<b>722.90</b>	<b>931.36</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 12 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks in current accounts	9.08	28.62
Cash on hand	8.35	5.13
Cheques in hand	19.52	9.44
<b>Total</b>	<b>36.95</b>	<b>43.19</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 13 Other bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Dividend accounts (refer note below)	24.19	130.08
Other bank balance	-	120.01
<b>Total</b>	<b>24.19</b>	<b>250.09</b>

**Notes:**

- (i) Not available for use by the Company as these represent corresponding unpaid/unclaimed dividend liabilities.
- (ii) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost .



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 14 Loans (Current)

#### Unsecured, considered good

##### Particulars

	As at March 31, 2019	As at March 31, 2018
Loan to subsidiary	-	1,500.00
Loans to employees	0.97	0.84
<b>Total</b>	<b>0.97</b>	<b>1,500.84</b>

##### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 15 Other current financial assets

##### Particulars

	As at March 31, 2019	As at March 31, 2018
Security deposits	13.75	-
<b>Total</b>	<b>13.75</b>	<b>-</b>

##### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 16 Other current assets

#### (Unsecured, considered good, unless otherwise stated)

##### Particulars

	As at March 31, 2019	As at March 31, 2018
Capital advances	-	69.01
Advance to suppliers/contractors	77.52	159.28
Balances with statutory authorities	295.87	429.81
Prepaid expenses	135.81	155.70
Deferred lease expense on security deposit paid	80.32	83.38
Advance recoverable in cash or kind	186.66	109.94
<b>Total</b>	<b>776.18</b>	<b>1,007.12</b>

### 17 Assets held for sale

##### Particulars

	As at March 31, 2019	As at March 31, 2018
Fixed Assets (Computers, Televisions) held for sale (at net book value or estimated net realisable value, whichever is lower)	-	11.48
<b>Total assets held for sale</b>	<b>-</b>	<b>11.48</b>

### 18 Share capital

#### A Authorised

250,00,000 (Previous year: 140,00,000) Equity shares of Rs. 10 each	2,500.00	1,400.00
150,00,000 (previous year: 110,00,000) Preference shares of Rs. 10 each	1,500.00	1,100.00
	<b>4,000.00</b>	<b>2,500.00</b>

#### B Issued, subscribed & fully paid up\*

1,16,51,210 (Previous year: 1,14,58,303) equity shares of Rs. 10 each	1,165.12	1,145.83
<b>Total</b>	<b>1,165.12</b>	<b>1,145.83</b>

\* Include 11,401,782 equity shares issued pursuant to the Scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi vide Order dated January 13, 2010.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### C Terms / rights attached to each class of shares:

The Company has two class of shares i.e Equity shares and Preference shares having a par value of Rs. 10/- each.

Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

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.

During the last five years, the company has not issued any bonus shares nor are there any shares bought back and issued for consideration other than cash.

### D Reconciliation of number of equity shares

	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount	No of shares	Amount
<b>Equity shares at the beginning of the year</b>	<b>11,458,303</b>	<b>1,145.83</b>	11,458,303	1,145.83
Changes during the year	192,907	19.29	-	-
<b>Equity shares at the end of the year</b>	<b>11,651,210</b>	<b>1,165.12</b>	11,458,303	1,145.83

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

	As at March 31, 2019		As at March 31, 2018	
	No of shares	% holding	No of shares	% holding
D.S.O. Limited	5,384,555	46.21%	5,336,880	46.58%
Mr. Sushil Kumar Gupta	619,047	5.31%	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 19 Other equity

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A Capital reserve*</b>		
Opening balance	1.41	1.41
Change during the year	-	-
<b>Closing balance</b>	<b>1.41</b>	<b>1.41</b>
<b>B Capital redemption reserve*</b>		
Opening balance	990.00	990.00
Change during the year	-	-
<b>Closing balance</b>	<b>990.00</b>	<b>990.00</b>
<b>C Securities premium account</b>		
Represents the amount received in excess of par value of securities.		
Opening balance	144.36	144.36
Change during the year	578.66	-
<b>Closing balance</b>	<b>723.02</b>	<b>144.36</b>
<b>D General reserve</b>		
Opening balance	15,653.24	15,653.24
Change during the year	-	-
<b>Closing balance</b>	<b>15,653.24</b>	<b>15,653.24</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>E Reserves and surplus</b>		
Represents the undistributed surplus of the Company		
Retained earnings		
Opening balance	11,711.21	11,408.74
Add: Net profit for the current year	2,666.36	420.32
Add: Other comprehensive income	(3.47)	19.01
<b>Profit available for appropriation</b>	<b>14,374.10</b>	<b>11,848.07</b>
Less : Appropriations		
Dividend paid (refer note below)	(114.58)	(114.58)
Corporate dividend tax	(23.55)	(22.29)
<b>Closing balance</b>	<b>14,235.97</b>	<b>11,711.21</b>
<b>Total</b>	<b>31,603.64</b>	<b>28,500.22</b>

\*The Company had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Company. These reserves were transferred to the company on account of demerger.

### Note: Distribution made and proposed

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Cash dividends on equity shares declared and paid:</b>		
- Final dividend for the year ended on 31 March 2018: Re. 1 per share (31 March 2017: Re. 1 per share)	(114.58)	(114.58)
- DDT on final dividend	(23.55)	(22.29)
	<b>(138.13)</b>	<b>(136.87)</b>
<b>Proposed dividends on Equity shares: *</b>		
- Proposed dividend for the year ended on 31 March 2019: Re.1 per share (31 March 2018: Re. 1 per share)	(116.51)	(114.58)
- DDT on proposed dividend	(23.95)	(23.55)
	<b>(140.46)</b>	<b>(138.13)</b>

\*Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March.

## 20 Borrowings (non-current)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A. Term loans (secured)</b>		
<b>Rupee loan</b>		
From banks (refer note (i) and (ii) below)	21,294.93	18,324.09
From Non bank financial Institution (refer note (i) and (iii) below)	419.40	468.54
	<b>21,714.33</b>	<b>18,792.63</b>
Less: current maturities of non-current borrowings (disclosed under note 27 - other current financial liabilities)	(651.58)	(62.07)
	<b>21,062.75</b>	<b>18,730.56</b>
<b>B. Preference Share Capital</b>		
9% Non Convertible & Non Cumulative Preference share capital (refer note (i) and (iv) below)	650.00	-
<b>Total</b>	<b>21,712.75</b>	<b>18,730.56</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### Notes :

(i) Particulars	As at March 31, 2019	As at March 31, 2018
<b>From banks</b>		
Yes Bank Loan (Effective Interest Rate - 10.67% to 11.20%)	22,497.48	19,300.00
Yes Bank-Vehicle Loan (Effective Interest Rate- 9.50%)	39.73	52.66
<b>From Non bank financial Institution</b>		
PTC India Limited (Effective Interest Rate- 11.75% to 12.65%)	413.20	450.40
Kotak Mahindra Prime Ltd-Vehicle Loan (Effective Interest Rate- 9.97%)	6.20	18.14
<b>Total</b>	<b>22,956.61</b>	<b>19,821.20</b>
Less: Adjustment of ancillary borrowing cost	(1,242.28)	(1,028.57)
<b>Net Borrowings from Banks &amp; NBFC</b>	<b>21,714.33</b>	<b>18,792.63</b>
<b>Preference Share Capital</b>		
9% Non Convertible & Non Cumulative Preference share capital	650.00	-
<b>Net Borrowings</b>	<b>22,364.33</b>	<b>18,792.63</b>

### (ii) Term Loan from banks:

- (a) In April 2016, the company had entered into facility arrangement with Yes Bank Limited (YBL) for its banking and borrowing facilities (Facility 1) and in the current year has also availed a new lease rent discounting (LRD) facility of Rs 3500 lakhs (Facility 2). Facility 1 shall be repayable in 44 structured quarterly installments after moratorium period of 36 months from the date of first disbursement and Facility 2 in 180 structured monthly installments.

The above borrowing is secured as under :-

1. Exclusive charge on the immoveable properties i.e. Land & Building (both present & future) of Hotel Hyatt Regency, Mumbai.
  2. Exclusive charge on current assets & movable fixed assets (both present & future) of Hotel Hyatt Regency, Mumbai.
  3. Personal guarantee of Mr.Sushil Gupta to remain valid during the tenor of YBL Loan facility.
  4. Negative lien over license rights of office building at Aerocity licensed from Aria Hotels & Consultancy Services Private Limited and sub licensed to Michael & Susan Dell Foundation.
  5. Exclusive charge on lease rental receipts.
- b) The company had availed vehicle loan from Yes Bank in November 2016 which is secured by hypothecation of vehicles and is repayable in 60 equal monthly installments .

### (iii) Term Loan from Non bank financial Institution:

- (a) Term Loan from PTC India Limited for 1 MW (AC)/1.23 MW (DC) Solar Project based on poly crystalline PV (Photo-Voltaic) cell technology in Satara District, Maharashtra under Maharashtra Open Access Policy is repayable by 162 equal monthly installments upto June, 2030 which is secured by way of exclusive first charge by way of:

1. Mortgage over all Immoveable properties and assets of the Project, both present and future.
2. Mortgage over all Project's movable properties and all other assets (including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable assets of the Project) of the Project, both present and future.
3. Mortgage over all book debts, operating cash flows, receivables, commissions, insurance proceeds of performance warranty, revenues of whatsoever nature and wherever arising of the Project, both present and future.
4. Assignment or creation of charge on all the rights, titles, interests, benefits, claims and demands whatsoever of
  - (i) Project Documents, duly acknowledged and consented to by the relevant counter parties to such Project Documents, as amended, varied or supplemented from time to time;
  - (ii) All Insurance Contracts (including Insurance Proceeds),
  - (iii) All Clearances

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

- (iv) All letter of credit, guarantees and performance bond provided by any counter party for any contract related to the Project in favour of the Borrower
5. Assignment or creation of charge on all the letters of credit, the Trust and Retention Account (including the Debt Service Reserve Account and Permitted Investments) and other reserves and any other bank accounts of the Borrower wherever maintained for the Project, including in each case, all monies lying credited/deposited into such accounts
- b) The company had availed vehicle loan from Kotak Mahindra Prime Limited in January 2015 which is secured by hypothecation of vehicles and is repayable in 60 equal monthly installments .

### (iv) Preference Share Capital:

The company has also issued 9% Non Convertible & Non Cumulative Redeemable Preference shares in July 2018 which are redeemable within a period of 10 years from the date of allotment.

- (v) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 21 Other Non-current Financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	167.67	180.68
	<u>167.67</u>	<u>180.68</u>

### Note

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 22 Non-current provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity	358.23	288.67
Provision for compensated absences	103.97	90.64
<b>Total</b>	<b>462.20</b>	<b>379.31</b>

### Note:

- (i) Refer note 44 for disclosures pertaining to Gratuity & other post employment benefits

## 23 Deferred tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred tax liabilities arising on account of</b>		
Property, plant and equipment	2,120.20	2,386.61
Financial assets classified at FVTPL	-	1,149.01
	<u>2,120.20</u>	<u>3,535.62</u>
<b>Deferred tax assets arising on account of</b>		
Provision for employee benefits and other liabilities deductible on actual payment	211.84	214.43
Provision for doubtful debtors	2.42	1.00
Financial assets and liabilities measured at amortised cost	135.84	117.72
	<u>350.10</u>	<u>333.15</u>
<b>Net Deferred tax liabilities (refer note below)</b>	<b>1,770.10</b>	<b>3,202.47</b>

### Notes:

- (i) Refer note 37 for changes in deferred tax balances.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 24 Other non-current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred income on discounting of security deposits	57.14	75.33
<b>Total</b>	<b>57.14</b>	<b>75.33</b>

### 25 Borrowings (current)

#### Others (unsecured)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand - from banks on cash credit (secured)	1,028.79	161.62
<b>Total</b>	<b>1,028.79</b>	<b>161.62</b>

#### Note:

- Loan from yes bank is secured by way of exclusive charge on all existing and future current assets, movable fixed assets and immovable property of Hotel Hyatt Regency, Mumbai and by personal gurantee of Mr Sushil Kumar Gupta, Chairman and Managing Director and negative lien on over license rights of office building at aerocity licensed from Aria Hotels & Consultancy Services Private Limited and Sub Licensed to Michael & Susan dell foundation.
- Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 26 Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Due to:		
- micro, small and medium enterprises (refer note no. 41)	58.35	-
- others	467.94	431.89
<b>Total</b>	<b>526.29</b>	<b>431.89</b>

#### Note:

- Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 27 Other current financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term borrowings (refer note no. 20)	651.58	62.07
Security deposits received	32.20	-
Unclaimed dividend	24.19	130.08
Interest accrued but not due	236.63	176.08
Payable for Capital Expenditure	26.69	37.82
Other payables	762.30	782.62
<b>Total</b>	<b>1,733.59</b>	<b>1,188.67</b>

#### Note:

- Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 28 Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from customers	166.44	256.18
Statutory dues	344.17	416.88
Deferred income on discounting of security deposits	18.19	20.42
Deferred Government Grant - EPCG	81.98	48.94
<b>Total</b>	<b>610.78</b>	<b>742.42</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 29 Provisions (current)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity	202.17	193.76
Provision for compensated absences	12.54	9.58
Provision for tax (net of advance tax)	8.92	-
<b>Total</b>	<b>223.63</b>	<b>203.34</b>

#### Note:

(i) Refer note 44 for disclosures pertaining to Gratuity & other post employment benefits

### 30 Revenue from operations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Sale of products and services:</b>		
Rooms	9,152.78	8,450.01
Wines and liquor*	786.08	676.77
Food, other beverages, smokes & banquets	3,785.87	3,628.00
Others	1,159.56	1,098.99
<b>Total</b>	<b>14,884.29</b>	<b>13,853.77</b>

\* Sale of wine and liquor for the year ended March 31, 2018 included excise duty of Rs. 1.84 lakhs. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced with Goods and Service Tax (GST). Since the Company collects GST on behalf of the Government, it is not included in Revenue from operations. In view of the aforesaid change in indirect taxes regime, Revenue from operations for year ended 31 March 2019 is not comparable with revenue from operations for the year ended 31 March 2018 to that extent.

### 31 Other income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Dividend / Gain on sale of mutual funds	12.89	22.75
Fair value gain on assets classified at fair value through profit and loss	289.60	868.80
Rental Income (including unwinding of security deposit)	396.56	350.08
Export incentive income	345.14	111.88
Interest income	7.73	13.17
Finance Income on security deposits	6.20	11.57
Miscellaneous Income	0.13	-
<b>Total</b>	<b>1,058.25</b>	<b>1,378.25</b>

### 32 Cost of materials consumed

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Wines &amp; liquor</b>		
Opening stock	137.46	130.09
Add : Purchases	258.37	260.01
	<b>395.83</b>	<b>390.10</b>
Less : Closing stock	99.93	137.46
	<b>295.90</b>	<b>252.64</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Food, beverages and smokes</b>		
Opening stock	19.17	20.48
Add:- Purchases	1,025.19	1,070.10
	<b>1,044.36</b>	1,090.58
Less:- Closing stock	24.10	19.17
	<b>1,020.26</b>	1,071.41
<b>Total consumption of food, beverages and others</b>	<b>1,316.16</b>	1,324.05
<b>33 Employee benefits expense</b>		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages, & allowances	2,800.71	2,666.30
Gratuity	91.73	78.64
Contribution to provident and other funds	165.47	121.37
Staff welfare expenses	325.52	349.67
<b>Total</b>	<b>3,383.43</b>	3,215.98
<b>Note:</b>		
(i) Refer note 44 for disclosures pertaining to Gratuity & other post employment benefits		
<b>34 Finance costs</b>		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense on:		
Term Loans	2,285.51	2,140.43
Vehicle loans	5.58	8.02
Cash credit facility	91.75	0.31
Preference shares classified as debt	50.05	-
Unwinding of discount on financial Liabilities measured at amortised cost	17.59	-
Other borrowing costs	51.01	75.11
Bank charges	123.88	104.91
<b>Total</b>	<b>2,625.37</b>	2,328.77
<b>35 Depreciation and amortisation</b>		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on tangible fixed assets	746.13	1,594.60
<b>Total</b>	<b>746.13</b>	1,594.60
<b>36 Other expenses</b>		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of linen, room, catering and other supplies/services	333.76	318.14
Operating equipments and supplies	83.18	166.51
Power & Fuel	989.52	1,147.13
Contract Services	654.68	635.42
Repairs and maintenance:		
- Buildings	272.97	198.93
- Plant and machinery	291.35	377.92
- Others	407.67	331.29



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rent	79.05	103.16
Rates and taxes	519.63	408.18
Insurance	41.99	51.59
Directors' sitting fee	8.80	10.20
Legal and professional expenses (including payment to auditors)*	286.97	340.16
Music & television	19.73	14.85
Stationery and printing	8.83	8.56
Travelling and conveyance	395.23	394.59
Communication expenses	84.62	72.81
Technical services	671.66	611.10
Advertisement and publicity	335.93	323.04
Commission and brokerage	493.51	478.19
Excise duty on sale of goods	-	1.84
Charity & donation	4.73	12.01
Advance written off	105.00	-
Impairment of assets	-	17.91
Provision for doubtful debts/advances(net)	8.30	3.01
Loss on fixed assets sold/discarded (net)	30.89	68.09
Recruitment & training	36.75	18.68
Miscellaneous	49.24	57.50
<b>Total</b>	<b>6,213.99</b>	<b>6,170.81</b>
<b>Note:</b>		
*Payment to auditors		
<b>As auditor:</b>		
- Statutory audit fee	19.00	19.00
- Tax audit fee	-	1.00
<b>In other capacity:</b>		
- Other services (certification fees)	3.53	6.00
- Reimbursement of expenses	1.98	3.63
<b>Total</b>	<b>24.51</b>	<b>29.63</b>
- excludes service Tax / goods & service Tax		

### 37 Income tax

	As at March 31, 2019	As at March 31, 2018
<b>The income tax expense consists of the following :</b>		
<b>Current tax</b>		
Current tax expense for the current year	459.21	216.92
Tax earlier year	1.74	4.46
Deferred tax		
Minimum Alternative Tax (MAT) credit adjustment/(entitlement)	(38.90)	(28.25)
Deferred tax expense/(credit)	(1,430.95)	(15.64)
<b>Total income tax</b>	<b>(1,008.90)</b>	<b>177.49</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

	Year ended 31 March 2019	Year ended 31 March 2018
<b>Profit before income tax</b>	<b>1,657.46</b>	597.81
At Company's statutory income tax rate of 29.12% (31 March 2018: 33.063%)	<b>482.65</b>	197.65
<b>Adjustments in respect of current income tax</b>		
Interest on income tax	-	1.78
Dividend income	<b>(3.75)</b>	(7.53)
Donation not allowed	<b>1.38</b>	1.99
Tax Impact of other expenses disallowed under Income Tax	<b>(45.15)</b>	(20.86)
Effect of Change in tax rates	<b>(381.92)</b>	-
Reversal of tax on conversion of Investment in Optionally Convertible Preference Shares to Equity Shares	<b>(1,011.98)</b>	-
Tax relating to previous year	<b>1.74</b>	4.46
Other permanent differences	<b>(51.87)</b>	-
<b>Total</b>	<b>(1,008.90)</b>	177.48

### Reconciliation of deferred tax assets and liabilities for the year ended 31 March 2019 :-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment	2,386.61	(266.41)	-	2,120.20
Fair value gain on investment classified at FVPL*	1,149.01	(1,149.01)	-	-
	<b>3,535.62</b>	<b>(1,415.42)</b>	-	<b>2,120.20</b>
<b>Deferred tax assets arising out of:</b>				
Provision for employee benefits and other liabilities deductible on actual payment	214.43	(4.02)	1.43	211.84
Provision for doubtful debtors	1.00	1.42	-	2.42
Financial assets and liabilities measured at amortised cost	117.72	18.12	-	135.84
	<b>333.15</b>	<b>15.52</b>	<b>1.43</b>	<b>350.10</b>
<b>Net deferred assets/(liabilities)</b>	<b>(3,202.47)</b>	<b>1,430.94</b>	<b>1.43</b>	<b>(1,770.10)</b>

\* Deferred tax liability of Rs 1149.01 lacs as at March 31, 2018 recognised on account of fair value of Optionally Convertible Preference Shares (OCPS) issued by the subsidiary company " Aria Hotels and Consultancy Services Private Limited" has been reversed after the conversion of the OCPS into equity shares in the current year.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### Reconciliation of deferred tax assets and liabilities for the year ended 31 March 2018:-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment	2,617.84	(231.23)	-	2,386.61
Financial assets classified at FVTPL	861.75	287.26	-	1,149.01
	3,479.59	56.03	-	3,535.62
<b>Deferred tax assets arising out of:</b>				
Provision for employee benefits and other liabilities deductible on actual payment	178.28	45.54	(9.39)	214.43
Provision for doubtful debtors	-	1.00	-	1.00
Financial assets and liabilities measured at amortised cost	92.59	25.13	-	117.72
	270.87	71.67	(9.39)	333.15
<b>Net deferred assets/(liabilities)</b>	<b>(3,208.72)</b>	<b>15.64</b>	<b>(9.39)</b>	<b>(3,202.47)</b>

### 38 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Net profit for the year (in lakhs) for basic EPS and diluted EPS (A)</b>	<b>2,666.36</b>	<b>439.33</b>
<b>Weighted-average number of equity shares for basic EPS and diluted EPS (B)</b>	<b>11,594,945</b>	<b>11,458,303</b>
Basic EPS (Amount in Rs.) (A/B)	<b>23.00</b>	<b>3.83</b>
Diluted EPS (Amount in Rs.) (A/B)	<b>23.00</b>	<b>3.83</b>

### 39 Contingent liabilities and commitments

#### A Contingent liabilities (to the extent non provided for) :-

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Disputed demands/show-cause notices under:-</b>		
(i) Corporate guarantees issued on behalf of subsidiary ( refer Footnote (1) below)	503.46	1,040.91
(ii) Show cause Notice raised by service tax authorities and contested by the Company (refer Footnote (2) below)	-	515.51
(iii) Show cause Notice raised by Service Tax Authorities and contested by the Company (refer Footnote (3) below)	55.56	55.56
(iv) Property tax demand ( refer Footnote (4) below)	268.50	268.50
(v) Show cause Notice by Director of Revenue Intelligence (DRI) and contested by the Company ( refer Footnote (5) below)	1,200.21	1,200.21
(vi) Consumer dispute redressal forum Mumbai – Guest compliant for forfeiture of event deposit	16.38	16.38
<b>(vii) Maharashtra VAT Act, 2002:</b>		
- Demand Notice raised for VAT Assessment FY 2011-12 and contested by the Company.	87.13	87.13
- Demand Notice raised for VAT Assessment FY 2012-13 and contested by the Company.	55.40	55.40
- Demand Notice raised for VAT Assessment FY 2013-14 and contested by the Company.	12.22	12.22
	<b>2,198.86</b>	<b>3,251.82</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### Footnotes:

1. The Company executed corporate guarantees of Rs. 28.35 Crores for and on behalf of Aria Hotels and Consultancy Services Pvt. Ltd. (subsidiary of the Company) for import of capital Goods under EPCG Scheme in favour of DGFT or Custom Authorities, out of which Corporate Guarantee amounting to Rs. 23.31 Crores has been released and corporate guarantees amounting to Rs. 5.03 Crores are pending as at 31st March, 2019.
2. Company had received show cause cum demand notice of Rs. 515.51 lakhs on October 16, 2012 from Service Tax authorities for the period FY 2007-08 to 2011-12 towards wrong classification of services provided by Hyatt & its affiliates. Department disallowed cenvat credit on Hyatt payments due to wrong classification. Company has filed detailed reply and contesting all the claims with Commissioner of Service Tax. Company has received the favourable order from Commissioner on March 13, 2019 where in demand of Rs. 510.81 lakhs has been dropped and the demand of only Rs. 4.70 lakhs is confirmed. The confirmed demand amount has been paid on March 29, 2019.
3. Company had received notice from Principal Additional Director General, DGPM, Customs on December 27, 2017 towards service tax refund order of Assistant Commissioner amounting Rs. 55.56 lakhs. Cross objection is raised that department issued refund order without examination and finding of unjust enrichment. Vide order dated April 18, 2018 Principal Additional Director General, DGPM set aside the refund order earlier passed by Assistant Commissioner and rejected the sanctioned refund amount of Rs. 55.56 lakhs. The company had filed the appeal with CESTAT on 9th July 2018 against the said order and the hearing is awaited.
4. The Company had received property tax demand of Rs. 569.18 lakhs from Mumbai Municipal Corporate ("MMC") based on capital value system which is retrospectively from April 01, 2010, out of which, the company had already booked and paid Rs. 302.63 lakhs in the books of accounts pertaining from Financial Year 2010-11 to 2014-15. The Hotels & Restaurant Association (Maharashtra) had filed a writ application in the High Court of Bombay against the new capital value system.  
  
Hon'ble High Court had passed an interim Order on February 24, 2014 directing all petitioners to pay municipal property tax at pre-amended rates plus 50% of the differential tax between ratable value system and capital value system. On April 24, 2019 the Hon'ble High Court issued a final order to strikedown certain capital value rules and directed MMC to re fix the capital value. Till such period interim order of the Hon'ble High Court. will continue to operate.
5. The company had received letter dated December 15, 2017 from Additional Director General of Foreign Trade (DGFT) advising the Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 19th, 2017 from Directorate of Revenue Intelligence (DRI) seeking the refund of duty of Rs. 1200.21 lakhs towards the SFIS license availed, the Company has received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter was listed before the Division Bench on 13th & 20th March, 2019 wherein the learned counsel appearing for the respondents stated that the respondent shall withdraw the recovery notices impugned in listed petitions to await the judgment of the Supreme Court in M/s Cummins Technologies India Pvt. Ltd. v. Union of India and Ors.: SLP(C) No. 28830/2017. The Court further stated that the withdrawal of recovery notices are without prejudice to the rights and contentions of the respondents (Union of India & Ors) including the right to issue a fresh recovery notices, if any.
6. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the company is depositing provident fund on a prospective basis from the date of the SC order. The company will create provision, on receiving further clarity on the subject.

### B Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	54.15	77.92

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 40 Leases

#### A Company as a lessee:

##### Operating lease as a lessee:

The company has entered into operating lease arrangements for office premises. One lease is sub license arrangement for a period of 24 years and another is also sub license arrangement for a period of 15 years

**Future minimum rentals payable under non-cancellable operating leases are as follows:**

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Not Later than one year	10.38	9.84
(b) Later than one year and not later than five years	47.55	45.06
(c) Later than five years	248.05	260.19

Total operating lease rental expense recognised in the statement of profit and loss was during the year ended March 31, 2019 is Rs 9.84 lakhs (March 31, 2018: 9.32 lakhs)

#### B Company as a lessor

##### Operating lease as a lessor

The Company has entered into sub licensing agreements for commercial spaces for the period of three years further renewable for two terms of three years at the option of the sub licensee.

**Future minimum lease payments receivable under the operating lease is as below::**

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Not Later than one year	269.05	332.30
(b) Later than one year and not later than five years	64.10	333.15
(c) Later than five years	-	-

Total operating lease rental income recognised in the statement of profit and loss was during the year ended March 31, 2019 is Rs 332.30 lakhs (March 31, 2018: 319.82 lakhs)

### 41 Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

S. no.	Particulars	As at March 31, 2019		As at March 31, 2018	
		Principal	Interest	Principal	Interest
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	58.35	-	-	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-	-	-

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 42 Related party disclosures

As per Ind AS 24, the disclosure of transactions with related parties are as given below:

Subsidiary: Aria Hotels and Consultancy Services Private Limited

List of related parties with whom transactions have taken place during the current year and relationship:

- a) Key Management Personnel:
- Mr. Sushil Kumar Gupta (Chairman & Managing Director)
  - Mr. Sudhir Gupta (Executive Whole –Time Director)
  - Mr. Sandeep Gupta (Executive Whole –Time Director)
  - Mr. Raj Kumar Bhargava (Independent Director)
  - Dr. Lalit Bhasin (Independent - Director)
  - Mr. Surendra Singh Bhandari (Independent - Director)
  - Mr. Surinder Singh Kohli (Independent - Director)
  - Ms. Meeta Makhan (Independent - Director)
  - Mr. Sunil Diwakar (Non Executive- Director - resigned w.e.f. 18.07.2018)
  - Mr. Rakesh Kumar Aggarwal (Chief Financial Officer)
  - Mr. Vivek Jain (Company Secretary)
- b) Relatives of Key Management personnel :
- Ms. Sukriti Gupta (Daughter of Mr. Sudhir Gupta, Executive Whole-Time Director)
  - Mrs. Vinita Gupta (Wife of Mr. Sushil Kumar Gupta, Chairman & Managing Director)
  - Mr. Sidharth Aggarwal (Son of Mr. Rakesh Kumar Aggarwal, Chief Financial Officer)
- c) Entities over which Directors or their relatives can exercise significance influence.
- Bhasin & Co.
  - Aria International Limited
  - D.S.O Limited

### B. Transactions with Subsidiaries, Key Management Personnel, their relatives and Entities over which Directors and their relatives can exercise significance influence:

S. No.	Particulars	Subsidiary Company		Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence.	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
i)	Transactions made during the year								
1	Services availed during the year (Reimbursement of GST):								
	- Aria Hotels and Consultancy Services Private Limited*	75.11	71.98						
2	Legal & Professional :								
	-Bhasin and Co.							2.18	1.80
	- Sidharth Aggarwal					7.35	4.95		
	- Sukriti Gupta					6.00	6.00		
3	Finance Cost :								
	- Aria International Limited							2.08	-
4	Rent expense during the year:								
	- Aria Hotels and Consultancy Services Private Limited	9.84	9.32						
5	Rent expense on amortisation of security deposit:								
	- Aria Hotels and Consultancy Services Private Limited	65.39	83.37						

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

S. No.	Particulars	Subsidiary Company		Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence.	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
6	<b>Managerial remuneration/Salary:</b>								
	Mr. Sushil Kumar Gupta#			166.18	149.98				
	Mr. Sudhir Gupta#			139.75	127.44				
	Mr. Sandeep Gupta#			139.75	127.44				
	Mr. Rakesh Kumar Aggarwal#			63.06	58.86				
	Mr. Vivek Jain#			34.82	32.48				
7	<b>Director Sitting Fee:</b>								
	Mr. Raj Kumar Bhargava (Independent Director)			3.00	2.60				
	Mr. Lalit Bhasin (Independent - Director)			1.00	1.20				
	Mr. Surendra Singh Bhandari (Independent - Director)			2.40	2.40				
	Mr. Surinder Singh Kohli (Independent - Director)			1.20	2.20				
	Ms. Meeta Makhan (Independent - Director)			1.20	1.40				
	Mr. Sunil Diwakar (Non Executive- Director )			-	0.36				
8	<b>Investment classified as fair value through profit and loss:</b>								
	- Aria Hotels and Consultancy Services Private Limited	289.60	868.79						
9	<b>Finance income on Security deposit:</b>								
	- Aria Hotels and Consultancy Services Private Limited	6.20	11.57						
10	<b>Equity Shares allotment (including securities premium):</b>								
	Mr. Sushil Kumar Gupta			250.00					
	Mr. Sandeep Gupta			150.00					
	M/s DSO Limited							147.79	
	Mr. Sidharth Aggarwal					50.22			
11	<b>9% Non-Convertible Non Cumulative Redeemable Preference shares allotment</b>								
	Mr. Sushil Kumar Gupta			450					
	Mr. Rakesh Kumar Aggarwal jointly with Mrs. Sharda			50					
	Mrs. Vinita Gupta					125			
12	<b>Loan Taken:</b>								
	- Aria International Limited							190.00	-
13	<b>Loan repaid:</b>								
	- Aria International Limited							190.00	-
14	<b>Loan received back:</b>								
	- Aria Hotels and Consultancy Services Private Limited	1,500.00	-						
15	<b>Security deposit refunded:</b>								
	- Aria Hotels and Consultancy Services Private Limited		8.91						
II)	<b>Year end balances</b>								
1	<b>Outstanding receivable / recoverable:</b>								
	- Aria Hotels and Consultancy Services Private Limited - Security Deposit	107.54	104.07	-	-				
	- Aria Hotels and Consultancy Services Private Limited - Deferred lease expense	2,667.05	2,725.29						
	- Aria Hotels and Consultancy Services Private Limited - Loan recoverable	-	1,500.00						
2	<b>Outstanding Payable:</b>								
	- Bhasin & Company							0.13	-
3	<b>Investment in Equity/Preference:</b>								
	- Aria Hotels and Consultancy Services Private Limited - Preference shares / Equity (refer Note 05)	32,745.80	22,347.39						
4	<b>Particulars of Corporate Guarantee given</b>								
	Aria Hotels and Consultancy Services Private Limited	503.46	1,040.00						

# includes employer contribution to provident fund and all taxable perquisites.

- previous year IGAAP figures have been suitably adjusted to include the amortisation / fair value gain & loss (if applicable) in line with the IND AS requirements to make it comparable with current year disclosures.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 43 Interest in subsidiaries

The financial statements of the Company include group information, wherever required, pertaining to following:

#### Subsidiary company:

Name of the Subsidiary	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company		Quoted (Y/N)
			31-Mar-19	31-Mar-18	
Aria Hotels and Consultancy Services Private Limited	Development, design, finance, construction, operation and maintenance of upscale and Luxury hotel property	India	99.98%	82.49%	N

### 44 Employee benefits obligations

#### A. Defined benefit plan

##### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The weighted average duration of the defined benefit obligation as at March 31, 2019 is 10.85 years (March 31, 2018: 12.86 years; April 1, 2016: 13.67 years)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

i. <b>Reconciliation of present value of defined benefit obligation and the fair value of plan assets</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Present value of defined benefit obligation as at the end of the year	560.40	482.43
Fair value of plan assets as at the end of the year	-	-
<b>Net liability position recognized in balance sheet</b>	<b>560.40</b>	<b>482.43</b>
 <b>Current liability (Amount due within one year)</b>	 <b>202.17</b>	 <b>193.76</b>
<b>Non-Current liability (Amount due over one year)</b>	<b>358.23</b>	<b>288.67</b>
ii. <b>Changes in defined benefit obligation</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>482.43</b>	<b>459.14</b>
Interest cost	37.63	33.75
Current service cost	54.10	48.24
Benefits paid	(18.66)	(26.95)
Actuarial (gain)/loss on obligation	4.90	(31.75)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>560.40</b>	<b>482.43</b>
iii. <b>Expense recognised in the statement of profit and loss consists of:</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Employee benefit expense</b>		
Current service cost	54.10	48.24
Net interest cost	37.63	33.75
	<b>91.73</b>	<b>81.99</b>
 <b>Other comprehensive income</b>		
Actuarial loss on arising from change in demographic assumption	-	(1.77)
Actuarial (gain)/loss on arising from change in financial assumption	5.42	(16.11)
Actuarial loss on arising from experience adjustment	(0.52)	(10.52)
	<b>4.90</b>	<b>(28.40)</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

	As at	
	March 31, 2019	March 31, 2018
<b>iv. Actuarial assumptions</b>		
Discount rate	7.67%	7.80%
Future salary increase	7.00%	7.00%
<b>v. Demographic Assumption</b>		
Superannuation age	58 years	58 years
Mortality table	100% of IALM (2006-08)	100% of IALM (2006-08)
Formula used	Projected unit cost (PUC) method	Projected unit cost (PUC) method
Average remaining working life	25.25 years	25.49 years
<b>Ages</b>	<b>Withdrawal Rate(%)</b>	<b>Withdrawal Rate(%)</b>
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
<b>vi. Sensitivity analysis for gratuity liability</b>		
<b>Impact of the change in discount rate</b>		
a) Impact due to increase of 0.50%	(20.60)	(19.00)
b) Impact due to decrease of 0.50%	22.35	20.62
<b>Impact of the change in salary increase</b>		
a) Impact due to increase of 0.50%	22.38	20.68
b) Impact due to decrease of 0.50%	(20.81)	(19.22)
<b>vii Maturity profile of defined benefit obligation</b>		
Within the next 12 months (next annual reporting period)	202.17	168.99
Between 2 and 5 years	71.74	58.02
Between 5 and 10 years	52.88	43.93
Beyond 10 years	233.61	211.49
<b>Total expected payments</b>	<b>560.40</b>	<b>482.43</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 32.75 years (31 March 2018: 32.51 years).

### B. Defined contribution plans

The Company's contribution to state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

## 45 Financial Instruments

### A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at	
		31 March 2019	31 March 2018
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments	5 & 10	3.57	11,542.05
<b>Financial assets measured at amortised cost:</b>			
Loans	14	0.97	1,500.84
Other financial assets	6 & 15	125.52	131.98
Trade receivables	11	722.90	931.36
Cash and cash equivalents	12	36.95	43.19

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Other bank balances	13	24.19	250.09
<b>Total</b>		<b>914.10</b>	<b>14,399.51</b>
<b>Financial liabilities measured at amortised cost:</b>			
Borrowings	20 & 25	22,741.54	18,892.19
Other financial liabilities	21 & 27	1,901.26	1,369.35
Trade payables	26	526.29	431.89
<b>Total</b>		<b>25,169.09</b>	<b>20,693.43</b>

Investment in subsidiaries and associates are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2019	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	5 & 10	3.57	-	-	3.57
<b>Financial assets measured at amortised cost:</b>					
Loans	14	-	0.97	-	0.97
Other financial assets	6 & 15	-	125.52	-	125.52
Trade receivables	11	-	722.90	-	722.90
Cash and cash equivalents	12	-	36.95	-	36.95
Other bank balances	13	-	24.19	-	24.19
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	20 & 25	-	22,741.54	-	22,741.54
Other financial liabilities	21 & 27	-	1,901.26	-	1,901.26
Trade payables	26	-	526.29	-	526.29
<b>As at 31 March 2018</b>					
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	5 & 10	826.85	10,715.20	-	11,542.05
<b>Financial assets measured at amortised cost:</b>					
Loans	14	-	1,500.84	-	1,500.84
Other financial assets	6 & 15	-	131.98	-	131.98
Trade receivables	11	-	931.36	-	931.36
Cash and cash equivalents	12	-	43.19	-	43.19
Other bank balances	13	-	250.09	-	250.09
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	20 & 25	-	18,892.19	-	18,892.19
Other financial liabilities	21 & 27	-	1,369.35	-	1,369.35
Trade payables	26	-	431.89	-	431.89

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Non-current investments, long-term loans and advances and non-current financial liabilities are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- (ii) The fair values of the Company's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2019 was assessed to be insignificant.
- (iii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

### C Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, security deposits taken, employee related payables, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loan to subsidiary, security deposits given, employee advances, trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investments, loans and borrowings, deposits and advances.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018..

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

	Increase / Decrease in basis point	Effect on profit before tax  INR lakhs
31-Mar-19	+50%	-105.12
	-50%	105.12
31-Mar-18	+50%	-93.39
	-50%	93.39

### Foreign currency risk

The Company is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Foreign currency	Amount (Rs. lakhs)	Foreign currency	Amount (Rs. lakhs)
<b>Trade payables</b>				
USD	345,663.00	239.48	463,773.11	301.66

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities.

	Change in USD rate	Effect on profit before tax  INR lakhs
31-Mar-19	+5%	-11.97
	-5%	11.97
31-Mar-18	+5%	-15.08
	-5%	15.08

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Trade receivables:

Customer credit risk is managed by Company subject to the policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts of the financial instruments.

### Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

31 March 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	4,233.41	17,257.23	18,959.36	<b>40,450.00</b>
Trade payables	526.29	-	-	<b>526.29</b>
Other financial liabilities	1,082.01	167.67	-	<b>1,249.68</b>
<b>Total</b>	<b>5,841.71</b>	<b>17,424.90</b>	<b>18,959.36</b>	<b>42,225.97</b>
31 March 2018	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	2,611.71	14,658.90	16,900.92	34,171.53
Trade payables	431.89	-	-	431.89
Other financial liabilities	950.55	67.10	113.55	1,131.20
<b>Total</b>	<b>3,994.15</b>	<b>14,726.00</b>	<b>17,014.47</b>	<b>35,734.62</b>

## 46 Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 43% and 48%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables and cash and cash equivalents.

### Particulars

	As at March 31, 2019	As at March 31, 2018
Total outstanding liability	<b>28,292.94</b>	26,324.86
Less : Cash and Cash equivalents	<b>36.95</b>	43.19
Net outstanding liability (A)	<b>28,255.99</b>	26,281.67
Total net worth (B)	<b>32,768.76</b>	29,646.05
<b>Gearing ratio (A)/(A+B) (%)</b>	<b>46.30%</b>	46.99%

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

### 47 SEGMENT INFORMATION

#### Information regarding Primary Segment Reporting as per Ind AS-108

The Company is engaged in only one segment of Hotel business. The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these financial statements.

### 48 Loan and advances in the nature of Loans (including interest) given to subsidiary – Disclosure as per regulation 34(3) of listing obligation :

Particulars	As at March 31, 2019	Maximum balance during the year	As at March 31, 2018	Maximum balance during the year
Subsidiary company				
Aria Hotels and Consultancy Services Private Limited	-	1,500.00	1,500.00	1,500.00

### 49 Disclosure required under Section 186(4) of the Companies Act 2013

#### A Particulars of Loan Given

Name of Party	As at March 31, 2019	As at March 31, 2018	Nature of Loan	Purpose
Aria Hotels and Consultancy Services Private Limited	-	1,500.00	Unsecured	For Business Purpose

#### B Particulars of Corporate Guarantee given:

Name of Party	As at March 31, 2019	As at March 31, 2018	Nature of Guarantee	Purpose
Aria Hotels and Consultancy Services Private Limited	503.46	1,040.91	Corporate Guarantee	For Business Purpose

#### C Particulars of Investment made:

S. No.	Name of Investee	Opening Balance (Rs. Lakhs)	Investment made (Rs. Lakhs)	Investment converted into equity (Rs. Lakhs)*	Outstanding Balance (Rs. Lakhs)	Purpose
Investment in equity shares	Aria Hotels and Consultancy Services Private Limited	12,501.00	20,245.00	-	32,746.00	Long term Investment
Investment in Preference share	Aria Hotels and Consultancy Services Private Limited	10,715.20	289.60	11,004.80	-	Long term Investment

\*During the year preference share in Aria hotels & Consultancy Services private Limited have been converted into Equity shares in the ratio of 1:1 on 3<sup>rd</sup> August, 2018.

# Pertains to accretion in the value of investment classified at fair value through profit and loss.

#### D Particulars of security deposit:

Name of Party	Nature of Security	Purpose	As at March 31, 2019	As at March 31, 2018
Aria Hotels and Consultancy Services Private Limited	security deposit paid for office space/ commercial space on Lease	For Business Purpose	107.54	104.07

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 50 Changes in accounting policies

#### A Disaggregation of revenue

Prior to adoption of IND AS 115, the Company's revenue primarily comprised of revenue from hotel operations. The recognition of revenue has remained largely unchanged by IND AS 115. The Company derives revenue from the transfer of products and services at a point in time as follows:

Revenue from operations	Year ended March 31, 2019	Year ended March 31, 2018
<b>Revenue from Contracts with Customer</b>		
Rooms	9,152.78	8,450.01
Wines and liquor	786.08	676.77
Food, other beverages, smokes & banquets	3,785.87	3,628.00
Others	1,159.56	1,098.99
<b>Total</b>	<b>14,884.29</b>	<b>13,853.77</b>

#### B Changes in balance of contract liabilities during the year:

Description	March 31, 2019	March 31, 2018
<b>Opening balance of contract liabilities</b>	<b>256.18</b>	154.53
Addition in balance of contract liabilities for current year	166.44	256.18
Amount of revenue recognised against opening contract liabilities	(256.18)	(154.53)
<b>Closing balance of contract liabilities</b>	<b>166.44</b>	256.18

#### C Assets and liabilities related to contracts with customers

Description	March 31, 2019	March 31, 2018
<b>Contract liabilities</b>		
Advance from customers	166.44	256.18
<b>Contract assets</b>		
Trade receivables	722.90	931.36

51 Figures of the previous year have been regrouped and reclassified wherever necessary to make them comparable with the current year figures.

The accompanying notes are an integral part of financial statements

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of Asian Hotels (West) Limited

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of Asian Hotels (West) Limited Company Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Contingent liabilities not provided for <i>(as described in note 38 of the consolidated Ind AS financial statements)</i> : As of March 31, 2019, the Group has disclosed contingent liabilities of Rs. 26.87 crores relating to tax and legal litigations. Taxation, and legal litigation exposures have been identified as a key audit matter due to the tax and legal claims against the Group. There is significant judgement required in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the consolidated Ind AS financial statements. Accordingly, tax and legal litigation exposures was determined to be a key audit matter in our audit of the consolidated Ind AS financial statements. .	Our audit procedures included, amongst others: a. Gained an understanding of the process of identification and assessment of tax and legal litigation exposures, and evaluated the design and tested the operating effectiveness of key controls. b. Obtained the Group's taxation and legal litigation cases summary and assessed the management's evaluation of expected tax and legal litigation exposures through assessment of underlying documents and discussions with the Group's management. c. Obtained confirmation, where appropriate, from relevant third party legal counsel and made inquiries with them regarding material cases. Evaluated the objectivity, independence, competence and relevant experience of third party legal counsel. d. Engaged tax specialists to assess management's application and interpretation of tax legislation affecting the Group, and to consider the quantification of exposures in the various tax jurisdictions. e. Checked the adequacy of the disclosures with regard to facts and circumstances of the tax and legal litigations exposures



# ASIAN HOTELS (WEST) LIMITED

Key audit matters	How our audit addressed the key audit matter
Deferred tax assets (as described in note 36 of the consolidated Ind AS financial statements) :	
As of March 31, 2019, the consolidated financial statements of the Company include deferred tax assets of Rs. 29.33 crores recorded by the subsidiary company in respect of its brought forward tax losses including unabsorbed depreciation to the extent it is probable that the subsidiary company will generate future taxable profits against which these tax losses can be utilized.  We considered this to be a key audit matter because there is significant judgement required to be exercised when deciding whether to recognize a deferred tax asset for tax loss carry forwards as well as when assessing the recoverability of recognized deferred tax assets	Our audit procedures included, amongst others: a. Our audit procedures included the review of the relevant controls established by management for the process followed by the Group for forecasting taxable profit and for assessing the recoverability of the deferred tax assets. b. In relation to the recoverability of the deferred tax assets, we assessed the future taxable profits, key assumptions used, including their consistency with current year trends. c. We assessed that the applicable tax rates were taken into account and assessed the duration of the tax loss carryforwards was considered appropriately and performed sensitivity analysis; d. We assessed the disclosures in respect of the deferred tax asset balances including those disclosures related to significant accounting judgements and estimates.

## Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the

# ASIAN HOTELS (WEST) LIMITED

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Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit 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 Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company and subsidiary Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and subsidiary Company none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure 2" to this report
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company and subsidiary Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note 38 to the consolidated Ind AS financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2019.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Atul Seksaria**

Partner

Membership Number: 086370

Place of Signature: New Delhi

Date: May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

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## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASIAN HOTELS (WEST) LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Asian Hotels (West) Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Asian Hotels (West) Limited (hereinafter referred to as the "Holding Company") and its one subsidiary company, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Atul Seksaria**

Partner

Membership Number: 086370

Place of Signature: New Delhi

Date: May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2	84,721.07	88,421.14
(b) Capital work-in-progress	3	103.73	343.17
(c) Other Intangibles assets	2	117.98	171.53
(d) Financial assets			
(i) Other financial assets	4	181.95	194.86
(e) Deferred tax assets (net)	5	3,012.87	-
(f) Non current tax assets (net)	6	1,153.92	775.64
(g) Other non current assets	7	10,383.36	10,541.81
		<u>99,674.88</u>	<u>100,448.15</u>
<b>(2) Current assets</b>			
(a) Inventories	8	869.11	689.42
(b) Financial assets			
(i) Investments	9	54.47	826.85
(ii) Trade receivables	10	2,016.42	2,203.77
(iii) Cash and cash equivalents	11	1,227.99	2,781.38
(iv) Bank balances other than (iii) above	12	5,058.16	1,348.41
(v) Loans	13	73.02	44.92
(vi) Other financial assets	14	13.75	-
(c) Other current assets	15	2,245.24	2,156.81
(d) Assets held for sale	16	-	11.48
		<u>11,558.16</u>	<u>10,063.04</u>
<b>TOTAL ASSETS</b>		<u><b>111,233.04</b></u>	<u><b>110,511.19</b></u>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17	1,165.12	1,145.83
(b) Other equity	18	11,019.47	11,389.22
(c) Non controlling interest		2.85	986.05
		<u>12,187.44</u>	<u>13,521.10</u>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	76,911.77	75,647.41
(ii) Other financial liabilities	20	813.79	498.11
(b) Provisions	21	664.77	564.09
(c) Deferred tax liabilities (net)	22	1,647.93	2,670.15
(d) Other non current liabilities	23	9,486.68	10,343.11
		<u>89,524.94</u>	<u>89,722.87</u>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	24	1,028.79	161.62
(ii) Trade payables	25		
- outstanding dues of micro enterprises and small enterprise		85.73	13.84
- outstanding dues of creditors other than micro enterprises and small enterprises		3,370.16	2,648.21
(iii) Other financial liabilities	26	2,666.35	1,993.66
(b) Other liabilities	27	2,142.50	2,243.33
(c) Provisions	28	227.13	206.55
		<u>9,520.66</u>	<u>7,267.21</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>111,233.04</b></u>	<u><b>110,511.19</b></u>

Statement of corporate information and significant accounting policies 1

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
I Revenue from operations	29	43,220.66	38,519.49
II Other income	30	2,670.59	1,553.26
<b>III Total income (I+II)</b>		<b>45,891.26</b>	<b>40,072.74</b>
<b>IV EXPENSES</b>			
Cost of consumption of food, beverages and others	31	4,562.50	4,169.93
Employee benefits expense	32	6,871.45	6,468.75
Finance costs	33	9,009.39	9,116.94
Depreciation and amortisation expense	34	4,675.92	5,597.56
Other expenses	35	16,941.38	15,677.56
<b>Total expenses (IV)</b>		<b>42,060.64</b>	<b>41,030.74</b>
<b>V Profit/(loss) before tax (III-IV)</b>		<b>3,830.62</b>	<b>(957.99)</b>
<b>VI Tax expense</b>	36		
(1) Current tax		459.21	216.92
(2) Minimum Alternate Tax Credit Entitlements		(38.90)	(28.25)
(3) Income tax adjustment related to earlier years		1.74	4.46
(4) Deferred tax		(4,036.29)	(15.64)
<b>Total tax expense (VI)</b>		<b>(3,614.24)</b>	<b>177.49</b>
<b>VII Profit/(loss) for the year (V-VI)</b>		<b>7,444.85</b>	<b>(1,135.48)</b>
<b>VIII Other comprehensive income / (Loss)</b>			
Items that will not be reclassified to profit or loss:			
- Remeasurement gains/(losses) on defined benefit obligation		2.49	(36.96)
- Income tax on above items		(0.87)	9.39
<b>Total other comprehensive income (net of tax)</b>		<b>1.61</b>	<b>(27.57)</b>
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>7,446.46</b>	<b>(1,163.05)</b>
<b>Profit attributable to:</b>			
Owners of Asian Hotels (West) Limited		7,484.48	(863.06)
Non Controlling Interest		(39.63)	(272.42)
<b>Other Comprehensive income attributable to:</b>			
Owners of Asian Hotels (West) Limited		1.61	(27.57)
Non Controlling Interest		0.00	0.00
<b>Total Comprehensive income attributable to:</b>			
Owners of Asian Hotels (West) Limited		7,486.09	(890.63)
Non Controlling Interest		(39.63)	(272.42)
<b>Earning per equity share of face value of Re. 1 each</b>	37		
- Basic earnings per equity share (in Rs.)		64.55	(7.77)
- Diluted earnings per equity share (in Rs.)		64.55	(7.77)

Statement of corporate information and significant accounting policies 1

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

**FOR S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**ATUL SEKSARIA**

Partner

Membership No. 086370

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole Time) Director  
DIN : 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer  
PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary  
Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
<b>Cash flow from operating activity</b>		
Net profit before tax (I)	3,830.62	(957.99)
Adjustment for:		
Depreciation & amortisation	4,614.54	5,543.65
Amortisation of other intangible assets	61.38	53.89
Loss on sale of property, plant and equipment	132.20	79.30
Provision for doubtful debts	8.30	-
Advance written off	105.00	-
Dividend income on investments	(12.89)	22.75
Other Income (including unwinding of security deposit)	(356.10)	(276.02)
Finance and other costs (including fair value change adjustments)	9,009.39	9,070.00
Amortisation of licensee fees on security deposit paid	223.72	340.96
EPCG licensee utilised for purchase of consumables	1.50	1.98
Interest income	(182.26)	(24.94)
Government grant	(811.49)	(413.77)
<b>Total (II)</b>	<b>12,793.29</b>	<b>14,397.80</b>
<b>Operating profit before working capital charges (I+II)</b>	<b>16,623.91</b>	<b>13,439.81</b>
Adjustments for:		
(Increase)/Decrease in inventories	(179.69)	139.95
(Increase)/Decrease in trade receivables	179.05	(214.74)
(Increase)/Decrease in financial assets and other assets	(358.09)	(256.68)
Increase/(Decrease) in trade payables	793.84	573.26
Increase/(Decrease) in financial liabilities, other liabilities and provisions	641.44	1,104.92
	<b>1,076.54</b>	<b>1,346.70</b>
<b>Cash generated from operations</b>	<b>17,700.45</b>	<b>14,786.51</b>
Direct taxes paid (Net)	(791.09)	(396.33)
<b>Net cash generated from Operating Activities (A)</b>	<b>16,909.36</b>	<b>14,390.18</b>
<b>Cash flow from investing activity</b>		
Purchase of property, plant and equipment	(984.70)	(2,287.45)
Sale of property, plant and equipment	125.14	702.80
Acquisition of stake in subsidiary from non-controlling shareholder	(9,239.94)	-
(Purchase)/ Proceeds from redemption of mutual funds	785.57	(822.68)
Investment in fixed deposits (net)	(3,935.65)	(697.42)
Proceeds from/(Investment in) shares	-	0.67
Dividend income on investment	-	(22.75)
Interest received	159.50	26.61
<b>Net Cash used in Investing Activities (B)</b>	<b>(13,090.08)</b>	<b>(3,100.22)</b>
<b>Cash flow from financing activity</b>		
Proceeds from long term borrowings	3,130.00	140.69
Repayment of long term borrowings	(2,020.43)	(607.78)
Net proceeds from short term borrowings	867.17	-
Proceeds from issue of equity shares	597.95	-
Proceeds from issue of 9% Non Convertible & Non Cumulative Preference share capital	650.00	-
Finance and other cost paid	(8,709.31)	(9,172.58)
Dividend paid	(138.13)	-
<b>Net Cash used in Financing activities (C)</b>	<b>(5,622.75)</b>	<b>(9,639.67)</b>
<b>Net Increase in Cash and cash equivalents [A+B+C]</b>	<b>(1,803.48)</b>	<b>1,650.28</b>
Cash and cash equivalent at the beginning of the year	3,031.47	1,381.18
Cash and cash equivalent at the end of the year	1,227.99	3,031.47

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

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### A. Share capital:

	Equity Shares	
	No.	Rs. lakhs
Balance as at April 1, 2017	11,458,303	1,145.83
Change during the year	-	-
Balance as at March 31, 2018	11,458,303	1,145.83
Shares issued during the year	192,907	19.29
<b>Closing balance as at March 31, 2019</b>	<b>11,651,210</b>	<b>1,165.12</b>

### B. Other equity

Particulars	Reserves and Surplus					Total	Non-controlling interest
	Retained earnings	General reserve	Capital reserve	Securities premium account	Capital redemption reserve		
Balance as at April 1, 2017	(7,404.55)	15,653.24	3,033.68	144.36	990.00	12,416.73	1,258.47
Loss for the year	(863.06)	-	-	-	-	(863.06)	(272.42)
Other comprehensive income for the year (net of tax)	(27.57)	-	-	-	-	(27.57)	-
<b>Transaction with owners in their capacity as owners:</b>							
Dividend	(114.58)	-	-	-	-	(114.58)	-
Tax on dividend	(22.29)	-	-	-	-	(22.29)	-
Balance as at March 31, 2018	(8,432.06)	15,653.24	3,033.68	144.36	990.00	11,389.22	986.05
Profit for the year	7,484.48	-	-	-	-	7,484.48	(39.63)
Other comprehensive income for the year (net of tax)	1.61	-	-	-	-	1.61	-
Adjustment on acquisition of stake from Non-controlling interest	(8,296.37)					(8,296.37)	(943.57)
Premium received pursuant to issue of shares	-	-	-	578.66	-	578.66	-
<b>Transaction with owners in their capacity as owners:</b>							
Dividend	(114.58)	-	-	-	-	(114.58)	-
Tax on dividend	(23.55)	-	-	-	-	(23.55)	-
<b>Balance as at March 31, 2019</b>	<b>(9,380.47)</b>	<b>15,653.24</b>	<b>3,033.68</b>	<b>723.02</b>	<b>990.00</b>	<b>11,019.47</b>	<b>2.85</b>

Statement of corporate information and significant accounting policies 1

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

**FOR S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**ATUL SEKSARIA**

Partner

Membership No. 086370

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole Time) Director  
DIN : 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer  
PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary  
Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019



# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 1(A) Corporate information

Asian Hotels (West) Limited (the Company) was incorporated as Chillwinds Hotels Private Limited on January 8, 2007, under the Companies Act, 1956. The Company had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Company. The name of the Company was changed to Asian Hotels (West) Limited w.e.f February 12, 2010.

The Company has one subsidiary "Aria Hotels and Consultancy Services Private Limited ("Aria"). The Company and Aria collectively is called "the Group". Aria has entered into Development Agreement, dated July 4, 2009, with Delhi International Airport Private Limited for acquiring Development Rights by way of a license over the specified area at the Airport site for developing, designing, financing, constructing, owning, operating and maintaining an upscale and Luxury hotel property till May 02, 2036 extendable up to May 02, 2066 (in case DIAL's term under Operation, Maintenance and Development Agreement (OMDA) is extended for additional period of 30 years). Aria has to pay an annual License Fee as stipulated in the Agreement. Also, Aria has entered into an "Infrastructure Development and Service Agreement" with DIAL on 4th July, 2009, for the use of infrastructure facilities and services being developed by DIAL. The Hotel has been in Operation since March 1, 2014.

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. The registered office of the Company is located at 6th Floor, Aria Towers, JW Marriott Hotel, Asset Area - 4, Aerocity, Hospitality District, New Delhi - 110037. The consolidated financial statements were approved for issue in accordance with a resolution of the Directors.

### 1(B) Significant accounting policies

#### 1.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and with Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

#### 1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as on 31 March 2019. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those return through its power over the investee. Specifically, the Group controls an investee if and only if it has:

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee and
- The ability to use its power over the investee to affect its returns

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

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. Following consolidation procedure is followed:

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

### Change in the Group's ownership interests in existing subsidiary

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

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

### 1.3 Summary of significant accounting policies

#### a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

#### b. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the Group's functional currency.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

### c. Fair value measurement

The Group measures financial instruments, such as, investment in quoted equity shares, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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

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

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

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

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

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

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

- a) Disclosures for valuation methods, significant estimates and assumptions (Note 29).
- b) Quantitative disclosures of fair value measurement hierarchy (Note 44).
- c) Financial instruments (including those carried at amortised cost) (Note 44).

### d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group in exchange for transferring control of goods and services to a customer and the revenue can be reliably measured, regardless of when the payment is being made. Effective April, 2018, the Group has applied Ind AS 115 which replaced Ind AS 18 revenue recognition. Revenue is measured at the fair value of the consideration received or receivable and net of rebates, Value Added Taxes, Goods and Service Tax and Loyalty Reward Points. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

#### Rendering of services

Revenue from rendering of hospitality services is recognised when the related services are rendered.

#### Rooms, food, beverages, banquet and other services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotel and are stated net of allowances. Sale of food and beverages are recognized at the point of serving these items to the guests. Revenue from other

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

services are recognized as and when services are rendered. The group collects service tax, value added tax (VAT) and luxury tax on behalf of guests, and therefore, these are not economic benefits flowing to the group, hence, these are excluded from revenue.

### **Income from other allied services**

In relation to laundry income, communication income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of services rendered.

### **Interest income**

For all financial instruments measured either at amortised cost or fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

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

### **License fee**

License fee from sub license rights are recognised on accrual basis over the period of space / sub licensing agreement.

### **e. Government grants**

Government grants are recognised on accrual basis. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

If the grant received is to compensate the import cost of assets, and is subject to an export obligation as prescribed in the EPCG scheme, then the recognition of the grant would be linked to fulfilment of the associated export obligations.

### **f. Taxes**

#### **Current income tax**

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

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

#### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

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

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

### g. Property, Plant and Equipment

#### Recognition and Measurement

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

#### Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Type of asset	Useful lives estimated by the management (years)
Main building (RCC)	Upto 60 years
Main building (Non-RCC)	30 years
Components in Building (Roads)	10 years
Plant and machinery	Upto 15 years
Electrical installations and equipment	15 years*
Vehicles used in business of running them on hire	6 years
Vehicles other than those used in a business of running them on hire	8 years
Office equipment	5-10 years*
Computers and data processing units:	
(a) Servers and networks	(a) 6 years
(b) End user devices such as desktops, laptops, etc.	(b) 3 years
Furniture and fittings	8 years

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

\*The management, based on technical assessment of internal experts, has estimated the life of Electrical installations and equipment as fifteen years, office equipments as five to ten years and accordingly, such assets are depreciated over the life of asset which is more than the life prescribed under the schedule II of the Companies Act, 2013.

### h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible asset consist of Computer software in these financial statements which has been amortized as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	Finite (6 years)	Amortised on a straight-line basis over the period *	Acquired

### i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### j. Leases

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

For arrangements entered into prior to 1 April 2016, the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### Group as a lessee

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

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

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

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

#### Group as a lessor

Leases in which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

### k. Inventories

Inventories of food and beverages, liquor / wine & smokes and other operating supplies are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### **I. Impairment of non-financial assets**

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

### **m. Provisions and Contingent Liabilities**

#### **General**

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

#### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

### **n. Retirement and other employee benefits**

#### **Defined Contribution**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

#### **Defined Benefits**

The Group operates a defined benefit gratuity plan in India wherein the cost of providing benefits under this obligation is determined on the basis of actuarial valuation at each year-end, which is carried out using the projected unit credit method.

Actuarial gains and losses are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

subsequent periods.

Remeasurement gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past Service Cost are recognized in profit or loss on the either of:

- The date of the plan amendment or curtailment, and date that the group recognizes related restructuring costs.
- The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Other long term employees benefits

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the consolidated balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### **o. Financial instruments**

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

#### **Financial assets**

Initial recognition and measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

#### **Subsequent measurement**

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

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

#### **Debt instruments at amortised cost**

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

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

#### **Debt instrument at FVTOCI**

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

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



# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Debt instrument at FVTPL

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

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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

### Derecognition

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

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

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

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

### Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL

The group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition.

### **Financial liabilities**

#### **Initial recognition and measurement**

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

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

The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

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

#### **Financial liabilities at amortised costs**

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Other financial liabilities that are measured at amortised cost include security deposits taken by the Group.

#### **Financial guarantee contracts**

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

#### **Derecognition**

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

#### **Offsetting of financial instruments**

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

#### **p. Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### q. Cash dividend to equity holders

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### r. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### Standards issued but not yet effective

#### Ind AS 116 – Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17

The Group intends to adopt these standards from 1 April 2019 and is currently in the process of assessing the impact of adoption of this standard which is expected to be significant

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 2. Fixed Assets

Description	Land - freehold	Buildings	Furniture, fixture & furnishings	Plant & Machinery	Electrical Installations and Equipments	Office equipment	Vehicles	Computers	Total Tangible assets	Computer software	Total other Intangible assets
<b>Gross carrying value</b>											
As at April 1, 2017	9,709.20	58,042.69	7,858.80	13,734.21	6,418.35	1,123.29	378.97	238.91	97,504.41	225.87	225.87
Additions	-	388.81	238.20	1,225.73	18.07	22.22	98.88	47.05	2,038.77	50.27	50.27
Disposals / Adjustments	-	(45.46)	(0.16)	(76.03)	-	-	(75.13)	(24.66)	(221.44)	-	-
As at March 31, 2018	9,709.20	58,386.04	8,096.84	14,883.91	6,436.42	1,145.51	402.52	261.30	99,321.74	276.14	276.14
Additions	-	415.48	279.55	345.34	58.29	15.01	40.00	6.65	1,160.33	7.82	7.82
Disposals / Adjustments	-	(1.68)	(63.11)	(336.32)	(74.04)	-	(58.32)	-	(533.47)	-	-
<b>As at March 31, 2019</b>	<b>9,709.20</b>	<b>58,799.84</b>	<b>8,313.28</b>	<b>14,892.93</b>	<b>6,420.67</b>	<b>1,160.53</b>	<b>384.20</b>	<b>267.95</b>	<b>99,948.59</b>	<b>283.96</b>	<b>283.96</b>
<b>Accumulated depreciation</b>											
As at April 1, 2017	-	1,694.48	1,222.82	1,782.35	462.30	128.84	57.55	72.83	5,421.17	50.72	50.72
Charge for the year	-	1,716.39	1,237.38	1,871.60	467.87	130.81	62.45	57.17	5,543.65	53.88	53.88
Disposals	-	(4.82)	-	(26.17)	-	-	(24.02)	(9.23)	(64.24)	-	-
As at March 31, 2018	-	3,406.05	2,460.20	3,627.78	930.17	259.65	95.98	120.77	10,900.60	104.60	104.60
Charge for the year	-	1,706.69	1,286.96	941.72	446.41	122.86	53.38	56.53	4,614.54	61.38	61.38
Disposals	-	(0.60)	(59.89)	(198.58)	-	-	(28.54)	-	(287.61)	-	-
<b>As at March 31, 2019</b>	<b>-</b>	<b>5,112.14</b>	<b>3,687.27</b>	<b>4,370.92</b>	<b>1,376.58</b>	<b>382.51</b>	<b>120.82</b>	<b>177.29</b>	<b>15,802.76</b>	<b>165.98</b>	<b>165.98</b>
<b>Net carrying value</b>											
As at March 31, 2018	9,709.20	54,979.99	5,636.64	11,256.13	5,506.25	885.86	306.54	140.53	88,421.14	171.53	171.53
<b>As at March 31, 2019</b>	<b>9,709.20</b>	<b>53,687.70</b>	<b>4,626.02</b>	<b>10,522.01</b>	<b>5,044.09</b>	<b>778.02</b>	<b>263.38</b>	<b>90.66</b>	<b>84,721.07</b>	<b>117.98</b>	<b>117.98</b>

### 3. Capital work-in-progress

Movement of capital work in progress is as follows:

Description	Amount
As at April 1, 2017	872.18
Add: Addition during the year	1,018.24
Less: Capitalisation during the year	1,547.25
As at March 31, 2018	343.17
Add: Addition during the year	103.72
Less: Capitalisation during the year	343.16
<b>As at March 31, 2019</b>	<b>103.73</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 4 Other financial assets (non-current) Unsecured , considered good

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	181.95	194.86
<b>Total</b>	<b>181.95</b>	<b>194.86</b>

#### Note:

- (i) Refer note 43 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 5 Deferred tax assets (net) Deferred tax liabilities arising on account of

Particulars	As at March 31, 2019	As at March 31, 2018
Property, plant and equipment and intangible assets	5,982.95	5,600.55
Unamortised borrowing costs	114.69	120.36
Security deposit received	462.20	377.01
<b>Total deferred tax liabilities</b>	<b>6,559.83</b>	<b>6,097.91</b>
<b>Deferred tax assets arising on account of</b>		
Brought forward Business Loss and Unabsorbed depreciation (refer note (i) below)	8,914.45	5,104.03
Govt Grant received	15.97	320.18
Financial assets and financial liabilities at amortised cost	536.28	593.89
Provision for employee benefits and other liabilities deductible on actual payment	81.37	66.89
Provision for doubtful debts/advances	24.63	12.93
<b>Total deferred tax assets</b>	<b>9,572.70</b>	<b>6,097.91</b>
<b>Total deferred tax assets (net)</b>	<b>3,012.87</b>	<b>-</b>

#### Note:

During the year the subsidiary company has created Deferred Tax Assets on bought forward business loss and unabsorbed depreciation to the extent management of the subsidiary Company is reasonably certain that the same would be available for adjustment against foreseeable taxable profit.

### 6 Income tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance income tax (net of provision for tax)	1,086.76	747.39
MAT credit entitlement	67.16	28.25
<b>Total</b>	<b>1,153.92</b>	<b>775.64</b>

### 7 Other non-current assets (Unsecured, considered good)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital advances	45.52	-
Prepaid expenses	19.75	-
Deferred lease expense on security deposit paid	10,318.09	10,541.81
<b>Total</b>	<b>10,383.36</b>	<b>10,541.81</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 8 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2019	As at March 31, 2018
Wines & liquor	701.47	531.39
Food, beverages and smokes	63.61	58.13
Crockery, cutlery, silverware, linen etc.	72.59	67.32
General stores and spares	31.44	32.58
<b>Total</b>	<b>869.11</b>	<b>689.42</b>

### 9 Investments (Current)

Investments at fair value through profit and loss (FVTPL):

Particulars	As at March 31, 2019	As at March 31, 2018
Investment in mutual funds		
5086.727 units of Union Liquid Fund Daily Dividend Reinvestment	50.90	822.68
Quoted equity shares:		
Investment in quoted equity shares as held for trading	3.57	4.17
<b>Total</b>	<b>54.47</b>	<b>826.85</b>
<b>Aggregate amount of Quoted investments</b>	<b>54.47</b>	<b>826.85</b>

### 10 Trade receivables (Unsecured)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good	2,016.42	2,203.77
Trade receivables considered doubtful	8.30	-
<b>Total</b>	<b>2,024.72</b>	<b>2,203.77</b>
Less : Provision for doubtful debts	(8.30)	-
<b>Total</b>	<b>2,016.42</b>	<b>2,203.77</b>

**Note:**

(i) Refer note 43 for disclosure of fair values in respect of financial assets measured at amortised cost.

### 11 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks in current accounts	538.27	185.30
Cheques in hand	19.52	
Cash on hand	43.15	41.23
Deposits with original maturity of less than 3 months	220.62	2,445.15
Balance in Cash Credit a/c	406.43	109.70
<b>Total</b>	<b>1,227.99</b>	<b>2,781.38</b>

**Note:**

(i) Refer note 43 for disclosure of fair values in respect of financial assets measured at amortised cost .

### 12 Other bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Dividend accounts (refer note (i) below)	24.19	130.08
Other bank balance	-	120.01
Deposits with original maturity for more than 3 months but less than 12 months	0.90	0.90
Deposits with original maturity of more than 12 months(refer note (ii) below)	5,033.07	1,097.42
<b>Total</b>	<b>5,058.16</b>	<b>1,348.41</b>

**Notes:**

(i) Not available for use by the Group as these represent corresponding unpaid/unclaimed dividend liabilities.

(ii) Refer note 43 for disclosure of fair values in respect of financial assets measured at amortised cost .

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 13 Loans (Current)

#### Unsecured, considered good

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	25.43	22.68
Loans to employees	10.80	8.21
Interest accrued on fixed deposits	36.79	14.03
<b>Total</b>	<b>73.02</b>	<b>44.92</b>

#### Note:

- (i) Refer note 43 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 14 Other current financial assets

#### Unsecured, considered good

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	13.75	-
<b>Total</b>	<b>13.75</b>	<b>-</b>

#### Note:

- (i) Refer note 43 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 15 Other current assets

#### (Unsecured, considered good, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital advances	-	145.29
Advance to suppliers/contractors	85.39	308.92
Balances with statutory authorities	1,164.19	894.30
Prepaid expenses	657.44	572.27
Advance recoverable in cash or kind	338.22	236.03
<b>Total</b>	<b>2,245.24</b>	<b>2,156.81</b>

### 16 Assets held for sale

	As at March 31, 2019	As at March 31, 2018
Fixed Assets (Computers, Televisions) held for sale (at net book value or estimated net realisable value, whichever is lower)	-	11.48
<b>Total assets held for sale</b>	<b>-</b>	<b>11.48</b>

### 17 Share capital

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A Authorised</b>		
250,00,000 (Previous year: 140,00,000) Equity shares of Rs. 10 each	2,500.00	1,400.00
150,00,000 (previous year: 110,00,000) Preference shares of Rs. 10 each	1,500.00	1,100.00
	<b>4,000.00</b>	<b>2,500.00</b>
<b>B Issued, subscribed &amp; fully paid up*</b>		
1,16,51,210 (Previous year: 1,14,58,303) equity shares of Rs. 10 each	1,165.12	1,145.83
<b>Total</b>	<b>1,165.12</b>	<b>1,145.83</b>

\* Include 11,401,782 equity shares issued pursuant to the Scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi vide Order dated January 13, 2010.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### C Terms / rights attached to each class of shares:

The Group has two class of shares i.e Equity shares and Preference shares having a par value of Rs. 10/- each.

Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts.

During the last five years, the Group has not issued any bonus shares nor are there any shares bought back and issued for consideration other than cash.

### D Reconciliation of number of equity shares

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	11,458,303	1,145.83	11,458,303	1,145.83
Changes during the year	192,907	19.29	-	-
Equity shares at the end of the year	11,651,210	1,165.12	11,458,303	1,145.83

### E Details of shareholders holding more than 5% of equity shares in the Group

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of shares	% holding	No of shares	% holding
D.S.O. Limited	5,384,555.00	46.21%	5,336,880.00	46.58%
Mr. Sushil Kumar Gupta	619,047.00	5.31%	-	-

As per records of the Group, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

## 18 Other equity

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A Capital reserve*</b>		
Opening balance	3,033.68	3,033.68
Change during the year	-	-
<b>Closing balance</b>	<b>3,033.68</b>	<b>3,033.68</b>
<b>B Capital redemption reserve*</b>		
Opening balance	990.00	990.00
Change during the year	-	-
<b>Closing balance</b>	<b>990.00</b>	<b>990.00</b>
<b>C Securities premium account</b>		
Represents the amount received in excess of par value of securities.		
Opening balance	144.36	144.36
Change during the year	578.66	-
<b>Closing balance</b>	<b>723.02</b>	<b>144.36</b>
<b>D General reserve</b>		
Represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned		
Opening balance	15,653.24	15,653.24
Change during the year	-	-
<b>Closing balance</b>	<b>15,653.24</b>	<b>15,653.24</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>E Reserves and surplus</b>		
Represents the undistributed surplus of the Group.		
Retained earnings		
Opening balance	(8,432.06)	(7,404.56)
Add: Net profit/(loss) for the current year	7,484.48	(863.06)
Less: Adjustment on acquisition of stake from Non-controlling interest	(8,296.37)	-
Add: Other comprehensive income/(loss)	1.61	(27.57)
<b>Profit available for appropriation</b>	<b>(9,242.34)</b>	<b>(8,295.19)</b>
Less : Appropriations		
Dividend paid (refer note below)	(114.58)	(114.58)
Dividend distribution tax	(23.55)	(22.29)
<b>Closing balance</b>	<b>(9,380.47)</b>	<b>(8,432.06)</b>
<b>Total</b>	<b>11,019.47</b>	<b>11,389.22</b>

\*The Holding Company had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Group. These reserves were transferred to the Holding Company on account of demerger.

### Note- Distribution made and proposed

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Cash dividends on equity shares declared and paid:</b>		
- Final dividend for the year ended on 31 March 2018: Re. 1 per share (31 March 2017: Re 1 per share)	(114.58)	(114.58)
- DDT on final dividend	(23.55)	(22.29)
	<b>(138.13)</b>	<b>(136.87)</b>
<b>Proposed dividends on Equity shares: *</b>		
- Proposed dividend for the year ended on 31 March 2019: Re 1 per share (31 March 2018: Re 1 per share)	(116.51)	(114.58)
- DDT on proposed dividend	(23.95)	(23.55)
	<b>(140.46)</b>	<b>(138.13)</b>

\*Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March.

## 19 Borrowings (non-current)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>A. Term loans (secured)</b>		
<b>Rupee loan</b>		
From banks (refer note (i) and (ii) below)	73,975.86	72,625.77
From Non bank financial Institution (refer note (i) and (iii) below)	3,495.09	3,557.38
	<b>77,470.95</b>	<b>76,183.15</b>
Less: current maturities of non-current borrowings (disclosed under note 26 - other current financial liabilities)	(1,209.18)	(535.74)
	<b>76,261.77</b>	<b>75,647.41</b>
<b>B. Preference Share Capital</b>		
9% Non Convertible Non Cumulative Redeemable Preference share capital (refer note (i) and (iv) below)	650.00	-
<b>Total</b>	<b>76,911.77</b>	<b>75,647.41</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### Notes :

(i) Particulars	As at March 31, 2019	As at March 31, 2018
<b>From banks (Effective Interest Rate - 10.05% to 11.20%)</b>		
Yes Bank Loan *	22,497.48	19,300.00
Allahabad Bank **	6,032.77	6,121.42
Andhra Bank **	8,100.99	8,215.55
Canara Bank **	8,381.98	8,517.57
Corporation Bank **	8,721.37	8,862.16
Karnataka Bank **	3,508.20	3,569.45
Oriental Bank of Commerce **	6,488.20	6,603.08
Union Bank of India **	11,174.04	11,585.16
Union Bank of India-Lease Rental Discounting Loan(LRD) ***	552.88	1,055.48
<b>From Non bank financial Institution (Effective Interest rate 9.97% to 12.65%)</b>		
PTC India Limited ##	413.20	450.40
Tourism Finance Corporation of India Limited **	3,075.69	3,126.04
<b>Vehicle Loans (Effective Interest rate 7.99% to 10.00%) #</b>		
Kotak Mahindra Prime Ltd	6.20	32.00
Yes Bank Ltd	127.82	162.94
<b>Total</b>	<b>79,080.82</b>	<b>77,601.24</b>
Less: Adjustment of ancillary borrowing cost	(1,609.87)	(1,418.09)
<b>Net Borrowings from Banks &amp; NBFC</b>	<b>77,470.95</b>	<b>76,183.15</b>
<b>Preference Share Capital</b>		
9% Non Convertible Non Cumulative Redeemable Preference share capital	650.00	-
<b>Net Borrowings</b>	<b>78,120.95</b>	<b>76,183.15</b>

### (ii) Term Loan from banks:

\* 'In April 2016, the Holding company had entered into facility arrangement with Yes Bank Limited (YBL) for its banking and borrowing facilities (Facility 1) and in the current year has also availed a new lease rent discounting (LRD) facility of Rs 3500 lakhs (Facility 2). Facility 1 shall be repayable in 44 structured quarterly installments after moratorium period of 36 months from the date of first disbursement and Facility 2 in 180 structured monthly installments.

The above borrowing is secured as under :-

1. Exclusive charge on the immoveable properties i.e. Land & Building (both present & future) of Hotel Hyatt Regency, Mumbai.
2. Exclusive charge on current assets & movable fixed assets (both present & future) of Hotel Hyatt Regency, Mumbai.
3. Personal guarantee of Mr. Sushil Kumar Gupta to remain valid during the tenor of YBL Loan facility.
4. Negative lien over license rights of office building at Aerocity licensed from Aria Hotels & Consultancy Services Private Limited and sub licensed to Michael & Susan Dell Foundation.
5. Exclusive charge on lease rental receipts.

### \*\* Repayment terms and details of Security

During the earlier years the Subsidiary Company has availed a term loan from consortium of banks and a financial institution, with Union Bank of India as lead bank. As per the sanction terms of flexible structuring scheme with cut off date of 1st Oct, 2016, the term loan is repayable in 77 structured unequal quarterly installments and the first installment was payable from 31 December 2016. Lender's right to recompense for previous restructuring for sacrifice, if any, shall continue.

'Further an additional term loan amounting to Rs. 10 Crores to meet working capital needs was availed by the Subsidiary Company from Union bank of India in an earlier year which is repayable in 16 structured quarterly installments post moratorium period of one year from the disbursement (ie 12 May 2017).

**The above term loans are secured by way of first pari passu charge on the under mentioned:**

- (a) A first mortgage and charge on all the Group's immovable properties pertaining to the Project, both present and future (save and except Project Site) subject to first pari-pasu charge in favour of Union Bank of India for Lease Rental Discounting (LRD) loan as below and excluding charge on commercial space to be Sub Licensed on long term basis covering 45% of

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

total commercial area being sub Licensed for a long period i.e. Non-cancellable tenure of > 15 years. Further during the year 4874 sq ft area has been further excluded from charge and proceed realised from long term sub license of 4874 sq ft was repaid to all consortium lenders towards proportionate reduction of debts).

- (b) A first charge on the movable fixed assets and pertaining to the Project, both present and future (save and except Current Assets);
- (c) A second charge on all Current Assets, including but not limited to stock, receivables in respect of the Project, both present and future provided that first charge may be created in favour of working capital lender with respect to working capital facilities;
- (d) A second charge over all bank accounts, excluding the Escrow Account, or any account in substitution thereof and any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;
- (e) A first charge over the Escrow Account, (or any account in substitution thereof), including without limitation, any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;
- (f) A first charge on all intangibles of the Group including but not limited to goodwill, rights, undertakings and uncalled capital, present and future;
- (g) An assignment by way of security:
  - (i) of the right, title and interest of the Group in, to and under the Project Documents;
  - (ii) of the right, title and interest of the Group in, to and under all the contracts, the approvals and Insurance Contracts; and
  - (iii) of the right, title and interest of the Group in, to and under any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
  - (iv) assignment of all rights, titles, benefits arising out of the grant of license to the Group as per the Development Agreement between DIAL and the Group dated July 4, 2009.
- (h) Irrevocable and unconditional personal guarantee of Mr. Sushil Kumar Gupta, Chairman.

### \*\*\*Repayment terms and details of Security

The Subsidiary Company has also availed a Lease Rental Discounting (LRD) facility from Union Bank of India which is secured by first pari-passu charge over fixed assets of the Subsidiary Company and priority charge over lease rentals receivable by the Subsidiary Company from three of its sub Licensees. LRD is repayable in 108 monthly installments i.e. Rs.1,850,000 every month, the first installment is payable from 31st January, 2014.

### # Repayment terms and details of Security

#### - Vehicle loans:

The Subsidiary company had availed loan from Kotak Mahindra Prime Ltd. Repayable in 59 equated monthly installments of Rs. 69,148 beginning from March 1, 2015, and is secured against the vehicle purchased.

The Subsidiary company had availed loan from YES Bank Ltd Repayable in 60 equated monthly installments of Rs. 151,770/- beginning from February 01, 2017, and is secured against the vehicles purchased.

The Subsidiary company had availed loan obtained from YES Bank Ltd Repayable in 60 equated monthly installments of Rs. 107,135/- beginning from March 15, 2018, and is secured against the vehicle purchased.

The Holding company had availed vehicle loan from Yes Bank in November 2016 which is secured by hypothecation of vehicles and is repayable in 60 equal monthly installments .

The Holding company had availed vehicle loan from Kotak Mahindra Prime Limited in January 2015 which is secured by hypothecation of vehicles and is repayable in 60 equal monthly installments .

#### (iii) Term Loan from Non bank financial Institution:

## Term Loan from PTC India Limited for 1 MW (AC)/1.23 MW (DC) Solar Project based on poly crystalline PV (Photo-Voltaic) cell technology in Satara District, Maharashtra under Maharashtra Open Access Policy is repayable by 162 equal monthly installments upto June, 2030 which is secured by way of exclusive first charge by way of:

1. Mortgage over all Immovable properties and assets of the Project, both present and future.
2. Mortgage over all Project's movable properties and all other assets (including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable assets of the Project) of the Project, both present and future.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

3. Mortgage over all book debts, operating cash flows, receivables, commissions, insurance proceeds of performance warranty, revenues of whatsoever nature and wherever arising of the Project, both present and future.
4. Assignment or creation of charge on all the rights, titles, interests, benefits, claims and demands whatsoever of
  - (i) Project Documents, duly acknowledged and consented to by the relevant counter parties to such Project Documents, as amended, varied or supplemented from time to time;
  - (ii) All Insurance Contracts (including Insurance Proceeds),
  - (ii) All Clearances
  - (iv) All letter of credit, guarantees and performance bond provided by any counter party for any contract related to the Project in favour of the Borrower
5. Assignment or creation of charge on all the letters of credit, the Trust and Retention Account (including the Debt Service Reserve Account and Permitted Investments) and other reserves and any other bank accounts of the Borrower wherever maintained for the Project, including in each case, all monies lying credited/deposited into such accounts

### (iv) Preference Share Capital:

The Holding company has also issued 9% Non Convertible, Non Cumulative Redeemable Preference shares in July 2018 which are redeemable within a period of 10 years from the date of allotment.

- (v) Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 20 Other Non-current Financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	813.79	498.11
	<u>813.79</u>	<u>498.11</u>

### Note

- (i) Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 21 Non-current provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity	476.62	372.13
Provision for compensated absences	188.15	191.96
<b>Total</b>	<u>664.77</u>	<u>564.09</u>

### Note:

- (i) Refer note 42 for disclosure pertaining to Gratuity & other post employment benefits

## 22 Deferred tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred tax liabilities arising on account of</b>		
Property, plant and equipment	2,120.20	2,386.61
Financial assets classified at FVTPL	-	616.69
	<u>2,120.20</u>	<u>3,003.30</u>
<b>Deferred tax assets arising on account of</b>		
Provision for employee benefits and other liabilities deductible on actual payment	211.84	214.43
Provision for doubtful debtors	2.42	1.00
Financial assets and liabilities measured at amortised cost	258.01	117.72
	<u>472.27</u>	<u>333.15</u>
<b>Net Deferred tax liabilities (refer note below)</b>	<u>1,647.93</u>	<u>2,670.15</u>

### Notes:

- (i) Refer note 36 for changes in deferred tax balances.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 23 Other non-current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred income on discounting of security deposits	9,435.49	9,306.93
Deferred Government Grant - EPCG	51.19	1,036.17
<b>Total</b>	<b>9,486.68</b>	<b>10,343.11</b>

### 24 Borrowings (current)

#### Others (unsecured)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand - from banks on cash credit (secured)	1,028.79	161.62
<b>Total</b>	<b>1,028.79</b>	<b>161.62</b>

#### Note:

- (i) Loan from yes bank is secured by way of exclusive charge on all existing and future current assets, movable fixed assets and immovable property of Hotel Hyatt Regency, Mumbai and by personal gurantee of Mr Sushil Kumar Gupta, Chairman and Managing Director and negative lien on over license rights of office building at aerocity licensed from Aria Hotel & Consultancy Services Private Limited and Sub Licensed to Michael & Susan dell foundation.
- (ii) Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 25 Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Due to:		
- micro, small and medium enterprises (refer note no. 40)	85.73	13.84
- others	3,370.16	2,648.21
<b>Total</b>	<b>3,455.89</b>	<b>2,662.05</b>

#### Note:

- (i) Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 26 Other current financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of long-term borrowings (refer note no. 19)	1,209.18	535.74
Security deposits received	77.09	54.97
Unclaimed dividend	24.19	130.08
Interest accrued but not due	243.14	183.08
Interest accrued and due on borrowings	-	14.06
Payable for capital goods:		
- Retention money	33.95	62.65
- Others	54.94	31.42
Other payables	1,023.86	981.65
<b>Total</b>	<b>2,666.35</b>	<b>1,993.66</b>

#### Note:

- (i) Refer note 43 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 27 Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from customers	619.14	666.20
Statutory dues	1,131.10	1,274.49
Deferred income on discounting of security deposits	310.28	253.71
Deferred Government Grant - EPCG	81.98	48.93
<b>Total</b>	<b>2,142.50</b>	<b>2,243.33</b>

### 28 Provisions (current)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity	203.53	194.52
Provision for compensated absences	14.68	12.03
Provision for tax (net of advance tax)	8.92	-
<b>Total</b>	<b>227.13</b>	<b>206.55</b>

#### Note:

(i) Refer note 42 for disclosure pertaining to Gratuity & other post employment benefits

### 29 Revenue from operations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Sale of products and services: (Refer note 47)</b>		
Rooms	22,475.04	20,086.04
Wines and liquor*	3,046.93	2,554.18
Food, other beverages, smokes & banquets	12,777.11	11,390.84
Sub License Fees (including maintenance fee)	1,221.01	1,163.27
Other operating revenue	3,700.57	3,325.16
<b>Total</b>	<b>43,220.66</b>	<b>38,519.49</b>

\* Sales of wine & liquor for the year ended March 31, 2018 included excise duty collected from customers amounting to Rs. 1.84 lakhs. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced with Goods and Service Tax (GST). Since the Group collects GST on behalf of the Government, it is not included in Revenue from operations. In view of the aforesaid change in indirect taxes regime, Revenue from operations for year ended 31 March 2019 is not comparable with revenue from operations for the year ended 31 March 2018 to that extent.

### 30 Other income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Dividend / Gain on sale of mutual funds	12.89	22.75
Rental Income (including unwinding of security deposit)	726.63	650.33
Government grant (subsidy)	811.50	413.77
Export incentive income	921.57	356.97
Finance Income on security deposit	5.30	5.85
Interest income	182.26	49.67
Miscellaneous Income	10.44	53.92
<b>Total</b>	<b>2,670.59</b>	<b>1,553.26</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 31 Cost of materials consumed

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Wines &amp; liquor</b>		
Opening stock	176.42	171.29
Add : Purchases	1,240.53	2,730.54
	1,416.95	2,901.83
Less : Closing stock	701.47	176.42
	715.48	2,725.41
<b>Food, beverages and smokes</b>		
Opening stock	413.09	397.55
Add:- Purchases	3,497.54	1,460.05
	3,910.63	1,857.61
Less:- Closing stock	63.61	413.09
	3,847.02	1,444.52
<b>Total consumption of food, beverages and others</b>	<b>4,562.50</b>	<b>4,169.93</b>

### 32 Employee benefits expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages, & allowances	5,627.63	5,417.64
Gratuity	140.65	99.75
Contribution to provident and other funds	332.61	301.36
Staff welfare expenses	770.56	650.00
<b>Total</b>	<b>6,871.45</b>	<b>6,468.75</b>

#### Note:

(i) Refer note 42 for disclosure pertaining to Gratuity & other post employment benefits

### 33 Finance costs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense on:		
Term Loans	8,369.22	8,647.42
Vehicle loans	5.58	11.32
Cash credit facility	91.82	1.32
Preference shares classified as debt	50.05	-
Unwinding of discount on financial Liabilities measured at amortised cost	75.85	15.19
Other borrowing costs	51.02	441.69
Bank charges	365.85	-
<b>Total</b>	<b>9,009.39</b>	<b>9,116.94</b>

### 34 Depreciation and amortisation

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on property, plant and equipment	4,614.54	5,543.67
Amortisation of other intangible assets	61.38	53.89
<b>Total</b>	<b>4,675.92</b>	<b>5,597.56</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 35 Other expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consumption of linen, room, catering and other supplies/services	958.34	875.62
Consumption of stores and spares	316.28	220.07
Operating equipments and supplies	1,828.33	1,666.18
License Fees	1,288.23	1,223.42
Power & Fuel	2,773.06	2,596.06
Contract Services	1,380.11	1,338.47
Repairs and maintenance:		
- Buildings	566.79	408.10
- Plant and machinery	866.84	967.38
- Others	407.67	321.75
Rent	3.82	103.16
Rates and taxes	941.39	816.15
Insurance	117.43	82.71
Directors' sitting fee	19.60	18.20
Legal and professional expenses (including payment to auditors)*	881.52	843.74
Music & television	19.73	14.85
Equipment Hire Charges	155.62	112.35
Stationery and printing	103.94	74.92
Plants and Decorations	86.84	100.02
Membership and Subscription	15.89	16.57
Travelling and conveyance	1,136.31	1,036.98
Communication expenses	175.76	169.12
Technical services	671.66	611.10
Director Remuneration	72.33	63.91
Advertisement and publicity	649.37	566.43
Commission and brokerage	1,130.79	1,149.41
Excise duty on sale of goods	-	1.84
Charity & donation	4.73	12.01
Advance written off	105.00	-
Impairment of assets	-	17.91
Provision for doubtful debts/advances(net)	8.30	3.01
Loss on fixed assets sold/discarded (net)	132.20	79.30
Recruitment & training	46.26	28.37
Gain/Loss on foreign exchange	16.69	4.47
Miscellaneous	60.55	133.98
<b>Total</b>	<b>16,941.38</b>	<b>15,677.56</b>
<b>Note:</b>		
*Payment to auditors		
<b>As auditor:</b>		
- Statutory audit fee	46.00	19.00
- Tax audit fee	-	1.00
<b>In other capacity:</b>		
- Other services (certification fees)	3.53	6.00
- Reimbursement of expenses	4.82	3.63
<b>Total</b>	<b>54.35</b>	<b>29.63</b>
- excludes service Tax / goods & service Tax		



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 36 Income tax

#### Particulars

As at  
March 31, 2019      As at  
March 31, 2018

The income tax expense consists of the following :

#### Current tax

Current tax expense for the current year	459.21	216.92
Tax earlier year	1.74	4.46

#### Deferred tax

Minimum alternative tax (MAT) credit adjustment/(entitlement)	(38.90)	(28.25)
Deferred tax expense/(credit)	(4,036.29)	(15.64)
<b>Total income tax</b>	<b>(3,614.24)</b>	<b>177.49</b>

Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

	Year ended 31 March 2019	Year ended 31 March 2018
<b>Profit before income taxes</b>	<b>3,830.62</b>	<b>(957.99)</b>
At Group's statutory income tax rate of 29.12% (31 March 2018: 33.063%)	<b>1,115.48</b>	<b>(316.74)</b>
<b>Adjustments in respect of current income tax</b>		
Interest on income tax	-	1.78
Dividend income	(3.75)	(7.53)
Donation	1.38	1.99
Tax Impact of other expenses disallowed under Income Tax	(45.15)	(20.86)
Effect of Change in tax rates	(374.16)	-
Reversal of tax on conversion of Investment in Optionally convertible preference shares to equity shares	(479.66)	-
Tax relating to previous year	1.74	4.46
Tax impact due to subsidiary's have different tax rate	43.76	-
Deferred tax asset not created on carry forward losses	-	514.41
Deferred tax asset created on brought forward business loss & unabsorbed depreciation of earlier years .	(3,801.77)	-
Other permanent difference	(72.10)	-
<b>Total</b>	<b>(3,614.24)</b>	<b>177.50</b>

Reconciliation of deferred tax assets (net) for the year ended 31 March 2019 :-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment and intangible assets	5,600.55	382.40	-	5,982.95
Unamortised borrowing costs	120.36	(5.67)	-	114.69
Security deposit received	377.01	85.19	-	462.20
	<b>6,097.91</b>	<b>461.92</b>	<b>-</b>	<b>6,559.83</b>
<b>Deferred tax assets arising out of:</b>				
Brought forward losses and Unabsorbed depreciation	5,104.03	3,810.42	-	8,914.45
Govt Grant received	320.18	(304.20)	-	15.97
Financial assets and financial liabilities at amortised cost	593.89	(57.29)	-	536.28
Provision for employee benefits and other liabilities deductible on actual payment	66.89	16.78	(2.30)	81.37
Provision for doubtful debts/advances	12.93	11.70	-	24.63
	<b>6,097.91</b>	<b>3,477.41</b>	<b>(2.30)</b>	<b>9,572.70</b>
<b>Net deferred assets/(liabilities)</b>	<b>-</b>	<b>3,015.49</b>	<b>(2.30)</b>	<b>3,012.87</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### Reconciliation of deferred tax liabilities (net) for the year ended 31 March 2019 :-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment	2,386.61	(266.41)	-	2,120.20
Fair value gain on investment classified at FVPL	616.69	(616.69)	-	-
	<b>3,003.30</b>	<b>(883.10)</b>	<b>-</b>	<b>2,120.20</b>
<b>Deferred tax assets arising out of:</b>				
Provision for employee benefits and other liabilities deductible on actual payment	214.43	(4.02)	1.43	211.84
Provision for doubtful debtors	1.00	1.42	-	2.42
Financial assets and liabilities measured at amortised cost	117.72	140.29	-	258.01
	<b>333.15</b>	<b>137.69</b>	<b>1.43</b>	<b>472.27</b>
<b>Net deferred assets/(liabilities)</b>	<b>(2,670.15)</b>	<b>1,020.79</b>	<b>1.43</b>	<b>(1,647.93)</b>

### Reconciliation of deferred tax assets (net) for the year ended 31 March 2018 :-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment and intangible assets	5,025.90	574.65	-	5,600.55
Unamortised borrowing costs	107.03	13.33	-	120.36
Security deposit received	295.82	81.19	-	377.01
	<b>5,428.75</b>	<b>669.16</b>	<b>-</b>	<b>6,097.91</b>
<b>Deferred tax assets arising out of:</b>				
Financial assets and financial liabilities at amortised cost	526.63	67.26	-	593.89
Provision for employee benefits and other liabilities deductible on actual payment	51.52	15.37	-	66.89
Provision for doubtful debts/advances	20.24	(7.31)	-	12.93
	<b>5,428.75</b>	<b>669.16</b>	<b>-</b>	<b>6,097.91</b>
<b>Net deferred assets/(liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Reconciliation of deferred tax liabilities (net) for the year ended 31 March 2018 :-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment	2,617.84	(231.23)	-	2,386.61
Fair value gain on investment classified at FVPL	329.43	287.26	-	616.69
	<b>2,947.27</b>	<b>56.03</b>	<b>-</b>	<b>3,003.30</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets arising out of:</b>				
Provision for employee benefits and other liabilities deductible on actual payment	178.28	45.54	(9.39)	214.43
Provision for doubtful debtors	-	1.00	-	1.00
Financial assets and liabilities measured at amortised cost	92.59	25.13	-	117.72
	<b>270.87</b>	<b>71.67</b>	<b>(9.39)</b>	<b>333.15</b>
<b>Net deferred assets/(liabilities)</b>	<b>(2,676.40)</b>	<b>15.64</b>	<b>(9.39)</b>	<b>(2,670.15)</b>

During the year the subsidiary company has created Deferred Tax Assets on bought forward business loss and unabsorbed depreciation to the extent management of the subsidiary company is reasonably certain that the same would be available for adjustment against foreseeable taxable profit

Deferred tax assets on carry forward unused tax losses have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset at respective entities.

### 37 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

	As at March 31, 2019	As at March 31, 2018
<b>Net profit/(loss) for the year (in lakhs) for basic EPS and diluted EPS (A)</b>	<b>7,484.48</b>	<b>(863.06)</b>
<b>Weighted-average number of equity shares for basic EPS and diluted EPS (B)</b>	<b>11,594,946</b>	<b>11,458,303</b>
Basic EPS (Amount in Rs.) (A/B)	<b>64.55</b>	<b>(7.77)</b>
Diluted EPS (Amount in Rs.) (A/B)	<b>64.55</b>	<b>(7.77)</b>

### 38 Contingent liabilities and commitments

#### A Contingent liabilities (to the extent non provided for)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Disputed demands/show-cause notices under:-</b>		
(i) Show cause Notice raised by Service Tax Authorities and contested by the Group (refer Footnote (1) below)	-	515.51
(ii) Show cause Notice raised by Service Tax Authorities and contested by the Group (refer Footnote (2) below)	<b>55.56</b>	55.56
(iii) Property tax demand (refer Footnote (3) below)	<b>678.84</b>	606.80
(iv) Show cause Notice by Director of Revenue Intelligence (DRI) and contested by the Group (refer Footnote (4) below)	<b>1,678.11</b>	1,678.11
(v) Consumer dispute redressal forum Mumbai – Guest compliant for forfeiture of event deposit	<b>16.38</b>	16.38
<b>Maharashtra VAT Act, 2002:</b>		
(i) Demand Notice raised for VAT Assessment FY 2011-12 and contested by the Group.	<b>87.13</b>	87.13
(ii) Demand Notice raised for VAT Assessment FY 2012-13 and contested by the Group.	<b>55.40</b>	55.40
(iii) Demand Notice raised for VAT Assessment FY 2013-14 and contested by the Group.	<b>12.22</b>	12.22
	<b>2,686.57</b>	<b>4,063.28</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### Footnotes:

1. The Holding Company had received show cause cum demand notice of Rs. 515.51 lakhs on October 16, 2012 from Service Tax authorities for the period FY 2007-08 to 2011-12 towards wrong classification of services provided by Hyatt & its affiliates. Department disallowed cenvat credit on Hyatt payments due to wrong classification. Holding Company had filed detailed reply and contesting all the claims with Commissioner of Service Tax. The Holding Company had received the favourable order from Commissioner on March 13, 2019 where in demand of Rs. 510.81 lakhs had been dropped and the demand of only Rs. 4.70 lakhs is confirmed. The confirmed demand amount had been paid on March 29, 2019.
2. The Holding Company had received notice from Principal Additional Director General, DGPM, Customs on December 27, 2017 towards service tax refund order of Assistant Commissioner amounting Rs. 55.56 lakhs. Cross objection is raised that department issued refund order without examination and finding of unjust enrichment. Vide order dated April 18, 2018 Principal Additional Director General, DGPM set aside the refund order earlier passed by Assistant Commissioner and rejected the sanctioned refund amount of Rs. 55.56 lakhs. The Holding Company had filed the appeal with CESTAT on 9th July 2018 against the said order and the hearing is awaited.
3. The Holding Company had received property tax demand of Rs. 569.18 lakhs from Mumbai Municipal Corporation ("MMC") based on capital value system which is retrospectively from April 01, 2010, out of which, the holding company have already booked and paid Rs. 302.63 lakhs in the books of accounts pertaining from Financial Year 2010-11 to 2014-15. The Hotels & Restaurant Association (Maharashtra) had filed a writ application in the High Court of Bombay against the new capital value system.

Hon'ble High Court had passed an interim Order on February 24, 2014 directing all petitioners to pay municipal property tax at pre-amended rates plus 50% of the differential tax between ratable value system and capital value system. On April 24, 2019 the Hon'ble High Court issued a final order to strikedown certain capital value rules and directed MMC to re fix the capital value till such period interim order of the Hon'ble High Court. will continue to operate.

The subsidiary company had received Property Tax demand for the period 2009-10 to 2013-14 from South Delhi Municipal Corporation (SDMC) on 23/12/2013. The subsidiary company had challenged the said demand and had filed an appeal with the Hon'ble High Court of Delhi, inter alia on grounds of the jurisdiction of the SDMC and non provision of the infrastructural services by the said authority. Based on interim order of the Hon'ble High Court of Delhi, the subsidiary Company had paid and charged off Rs.41,115,435 (31 March 2018- Rs 33,911,689/- during previous year) for the period July 2009 to March 2019 at the tax rate of 10%.

However, during the earlier year, the SDMC raised the demand at the tax rate of 20%. Accordingly, differential amount of Rs. 41,034,016 (March 31, 2018- Rs 33,830,270/-) (excluding interest at the rate of 1% per month which is leviable as per demand notice and will be finalised on the conclusion of assessment) for the period July 2009 to March 2019 is considered as contingent liability.

4. The holding Company had received letter dated December 15, 2017 from Additional Director General of Foreign Trade (DGFT) advising the holding Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 19th, 2017 from Directorate of Revenue Intelligence (DRI) seeking the refund of duty of Rs. 1200.21 lakhs towards the SFIS licenses availed, the holding Company had received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter was listed before the Division Bench on 13th & 20th March, 2019 wherein the learned counsel appearing for the respondents stated that the respondent shall withdraw the recovery notices impugned in listed petitions to await the judgment of the Supreme Court in M/s Cummins Technologies India Pvt. Ltd. v. Union of India and Ors.: SLP(C) No. 28830/2017. The Court further stated that the withdrawal of recovery notices are without prejudice to the rights and contentions of the respondents (Union of India & Ors) including the right to issue a fresh recovery notices, if any.

The subsidiary Company had received letter dated December 29, 2017 from Additional Director General of Foreign Trade (DGFT) advising the subsidiary company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 29th, 2017 from Additional Director General of Foreign Trade (DGFT) seeking the refund of duty of Rs. 477.90 lakhs towards the SFIS licenses availed, the subsidiary company has received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter was listed before the Division Bench on 13th & 20th March, 2019 wherein the learned counsel appearing for the respondents stated that the respondent shall withdraw the recovery notices impugned in listed petitions to await the judgment of the Supreme Court in M/s Cummins Technologies India Pvt. Ltd. v. Union of India and Ors.: SLP(C) No. 28830/2017. The Court further stated that the withdrawal of recovery notices are without prejudice to the rights and contentions of the respondents including the right to issue a fresh recovery notices, if any.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

5. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the group is depositing provident fund on a prospective basis from the date of the SC order. The group will create provision, on receiving further clarity on the subject.

### B Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	54.15	203.53

## 39 Leases

### A Group as a lessee:

#### Operating lease as a lessee:

- (a) The Holding Company has entered into operating lease arrangements for office premises. One lease is sub license arrangement for a period of 24 years and another is also sub license arrangement for a period of 15 years.

The Subsidiary Company also has entered into Development Agreement, dated July 4, 2009, with Delhi International Airport Private Limited for acquiring Development Rights by way of a license over the specified area at the Airport site for developing, designing, financing, constructing, owning, operating and maintaining an upscale and Luxury hotel property.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Not Later than one year	1,123.06	1,064.51
(b) Later than one year and not later than five years	5,144.85	4,876.64
(c) Later than five years	24,294.71	25,685.99

Total operating lease rental expense recognised in the statement of profit and loss was during the year ended March 31, 2019 is Rs 1064.51 lakhs (March 31, 2018: 1009.02 lakhs)

### B Group as a lessor

#### Operating lease as a lessor

The Subsidiary Company has entered into sub licensing agreements for commercial spaces for both short term and long-term. Short term agreements are for the period of three years further renewable for two terms of three years at the option of the sub licensee and Long-term agreements are for the period of twenty four years further renewable for thirty years, at the option of sub licensee subject to the renewal of the DIAL and Subsidiary Company had also sub licensing agreements for commercial spaces for the period of three years further renewable for two terms of three years at the option of the sub licensee

Future minimum lease payments receivable under the operating lease is as below::

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Not Later than one year	686.67	1,107.84
(b) Later than one year and not later than five years	692.12	1,221.11
(c) Later than five years	1,602.88	1,541.18

Total operating lease rental income recognised in the statement of profit and loss was during the year ended March 31, 2019 is Rs 1,216.48 lakhs (March 31, 2018: 1,153.88 lakhs)

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 40 Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

S.no.	Particulars	As at March 31, 2019		As at March 31, 2018	
		Principal	Interest	Principal	Interest
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	85.73	-	13.84	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	0.05	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-	-	-

### 41 Related party disclosures

#### A. As per Ind AS 24, the disclosure of transactions with related parties are as given below:

List of related parties with whom transactions have taken place during the current year and relationship:

- a) Key Management Personnel:
  - Mr. Sushil Kumar Gupta (Chairman & Managing Director)
  - Mr. Sudhir Gupta (Executive Whole –Time Director)
  - Mr. Sandeep Gupta (Executive Whole –Time Director)
  - Mr. Raj Kumar Bhargava (Independent Director)
  - Dr. Lalit Bhasin (Independent - Director)
  - Mr. Surendra Singh Bhandari (Independent - Director)
  - Mr. Surinder Singh Kohli (Independent - Director)
  - Ms. Meeta Makhani (Independent - Director)
  - Mr. Sunil Diwakar (Non Executive - Director resigned w.e.f. 18.07.2018)
  - Mr. Rakesh Kumar Aggarwal (Chief Financial Officer)
  - Mr. Vivek Jain (Company Secretary)
  - Ms Nupur Garg (Company Secretary of Subsidiary Company)
  - Mr Samir Agarwal (Chief Financial Officer of Subsidiary Company- w.e.f 13.11.2018)
  - Dr. Tamali Sen Gupta (Independent - Director in subsidiary Company)
  - Mr. Rajesh Adhikary (Non Executive Director of Subsidiary Company resigned w.e.f. 18.07.2018)
- b) Relatives of Key Management personnel :
  - Ms. Sukriti Gupta (Daughter of Mr. Sudhir Gupta, Executive Whole-Time Director)
  - Mrs. Vinita Gupta (Wife of Mr. Sushil Kumar Gupta, Chairman & Managing Director)
  - Mr. Sidharth Aggarwal (Son of Mr. Rakesh Kumar Aggarwal, Chief Financial Officer)
- c) Entities over which Directors or their relatives can exercise significance influence.
  - Bhasin & Co.
  - Aria International Limited
  - D.S.O Limited

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### B. Transactions with Subsidiaries, Key Management Personnel, their relatives and Entities over which Directors and their relatives can exercise significance influence:

S. No.	Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence.	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
I)	<b>Transactions made during the year</b>						
1	<b>Legal &amp; Professional :</b>						
	-Bhasin and Co.					2.18	1.80
	- Sidharth Aggarwal			21.96	14.90		
	- Sukriti Gupta			6.00	6.00		
2	<b>Finance Cost :</b>						
	- Aria International Limited					2.08	-
3	<b>Other Expense :</b>						
	- Aria International Limited					98.57	83.93
4	<b>Managerial remuneration/Salary:</b>						
	Mr. Sushil Kumar Gupta#	166.18	149.98				
	Mr. Sudhir Gupta#	139.75	127.44				
	Mr. Sandeep Gupta#	219.84	198.64				
	Mr. Rakesh Kumar Aggarwal#	63.06	58.86				
	Mr Samir Agarwal#	24.01	-				
	Mr. Vivek Jain#	34.82	32.48				
	Ms. Nupur Garg#	20.7	19.04				
5	<b>Director Sitting Fee:</b>						
	Mr. Raj Kumar Bhargava (Independent Director)	6.00	4.80				
	Dr. Lalit Bhasin (Independent - Director)	1.00	1.20				
	Mr. Surendra Singh Bhandari (Independent - Director)	2.40	2.40				
	Mr. Surinder Singh Kohli (Independent - Director)	1.20	2.20				
	Ms. Meeta Makhani (Independent - Director)	1.20	1.40				
	Mr. Sunil Diwakar (Non Executive - Director)	0.00	0.36				
	Mr. Rajesh Adhikary (Non Executive - Director in subsidiary company)	0.80	0.80				
	Mr. Rakesh Kumar Aggarwal (Non Executive - Director in subsidiary company)	1.40	-				
	Mr. Sudhir Gupta (Non Executive - Director in subsidiary company)	1.20	1.40				
	Mr. Sushil Kumar Gupta (Non Executive - Director in subsidiary company)	1.40	1.20				
	Dr. Tamali Sen Gupta (Independent - Director in subsidiary company)	3.00	2.40				
6	<b>Equity Shares allotment (including securities premium):</b>						
	Mr. Sushil Kumar Gupta	250.00					
	Mr. Sandeep Gupta	150.00					
	M/s DSO Limited					147.79	
	Mr. Sidharth Aggarwal			50.22			
7	<b>9% Non-Convertible Non Cumulative Redeemable Preference shares allotment</b>						
	Mr. Sushil Kumar Gupta	450.00					
	Mr. Rakesh Kumar Aggarwal jointly with Mrs. Sharda	50.00					
	Mrs. Vinita Gupta			125			
8	<b>Loan Taken:</b>						
	- Aria International Limited					190.00	-
9	<b>Loan repaid:</b>						
	- Aria International Limited					190.00	-
II)	<b>Year end balances</b>						
1	<b>Outstanding Payable:</b>						
	- Bhasin & Company					0.13	-

# includes employer contribution to provident fund and all taxable perquisites.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 41 A Interest in subsidiaries

- (a) The consolidated financial statements of the Group includes subsidiaries listed in the table below:

#### Subsidiary company:

Name of the Subsidiary	Principal Activity	Method used to account for investments	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company		Quoted (Y/N)
				31-Mar-19	31-Mar-18	
Aria Hotels and Consultancy Services Private Limited	Development, design, finance, construction, operation and maintenance of upscale and Luxury hotel property	Line by line consolidation	India	99.98%	82.49%	N

- (b) Additional information pursuant to paragraph 2 of Division II of Schedule III of the Companies Act, 2013

	Net assets (total assets minus total liabilities)		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
<b>Parent</b>								
Asian Hotels (West) Limited	268.87%	32,768.76	35.82%	2,666.36	-215.38%	(3.47)	35.76%	2,662.89
<b>Subsidiary- Indian</b>								
Aria Hotels And Consultancy Services Private Limited	99.88%	12,173.65	70.52%	5,250.06	315.38%	5.08	70.57%	5,255.14
Elimination	-268.76%	(32,754.97)	-6.34%	(471.63)	0.00%	-	-6.33%	(471.63)
<b>At 31 March 2019</b>	<b>100%</b>	<b>12,187.44</b>	<b>100%</b>	<b>7,444.79</b>	<b>100%</b>	<b>1.61</b>	<b>100%</b>	<b>7,446.40</b>

- 42 In respect of the Investment Agreement entered into with the investors [IL&FS Trust Company Limited, Mumbai (IL&FS Trust) and IIRF India Realty XVI Limited, Mauritius (IIRF India)] of the subsidiary company in the earlier years, the subsidiary company and the Company during the year had reached the settlement of the disputes with the investors and had filed joint application with the Hon'ble Arbitral Tribunal seeking order for termination of arbitration proceedings by stating that they have settled the disputes by way of transfer of the Investors' entire shareholding held by it in the subsidiary company to the Company and one of the Promoter at an agreed aggregate consideration price. Also, it was informed to the Hon'ble Arbitral Tribunal that pursuant to the settlement of the disputes, all rights, remedies, entitlements and claims in connection with the above Investment Agreement stands extinguished. The Arbitration Tribunal passed Termination Order in respect of the dispute amongst the parties on 7th September, 2018 and the matter stands closed. Further, the subsidiary company had also carried out the conversion of cumulative convertible preference shares into equity shares during the current year.

### 43 Employee benefits obligations

#### A. Defined benefit plan

##### Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

i. Reconciliation of present value of defined benefit obligation and the fair value of plan assets	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation as at the end of the year	680.15	566.65
Fair value of plan assets as at the end of the year	-	-
<b>Net liability position recognized in balance sheet</b>	<b>680.15</b>	<b>566.65</b>
<b>Current liability (Amount due within one year)</b>	<b>203.53</b>	<b>194.52</b>
<b>Non-Current liability (Amount due over one year)</b>	<b>476.62</b>	<b>372.13</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

ii. <b>Changes in defined benefit obligation</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>566.65</b>	514.13
Interest cost	<b>44.20</b>	37.79
Current service cost	<b>96.45</b>	82.42
Benefits paid	<b>(24.66)</b>	(27.38)
Actuarial (gain)/loss on obligation	<b>(2.49)</b>	(40.31)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>680.15</b>	566.65
iii. <b>Expense recognised in the statement of profit and loss consists of:</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
<b>Employee benefit expense</b>		
Current service cost	<b>96.45</b>	82.42
Net interest cost	<b>44.20</b>	37.79
	<b>140.65</b>	120.21
<b>Other comprehensive income</b>		
Actuarial loss on arising from change in demographic assumption	-	(1.77)
Actuarial (gain)/loss on arising from change in financial assumption	<b>8.30</b>	(2.60)
Actuarial loss on arising from experience adjustment	<b>(10.79)</b>	(32.59)
	<b>(2.49)</b>	(36.96)
iv. <b>Actuarial assumptions</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Discount rate	<b>7.50% to 7.67%</b>	7.80%
Future salary increase	<b>7.00%</b>	7.00%
v. <b>Demographic Assumption</b>		
Superannuation age	<b>58 to 60 years</b>	58 to 60 years
Mortality table	<b>100% of IALM (2006-08)</b>	100% of IALM (2006-08)
Formula used	<b>Projected unit cost (PUC) method</b>	Projected unit cost (PUC) method
Average remaining working life	<b>25.25 to 31.69 years</b>	25.49 to 31.48 years
<b>Ages</b>	<b>Withdrawal Rate(%)</b>	
Up to 30 years	<b>3.00</b>	3.00
From 31 to 44 years	<b>2.00</b>	2.00
Above 44 years	<b>1.00</b>	1.00
vi. <b>Sensitivity analysis for gratuity liability</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Impact of the change in discount rate</b>		
a) Impact due to increase of 0.50%	<b>(30.56)</b>	(26.21)
b) Impact due to decrease of 0.50%	<b>33.55</b>	28.73
<b>Impact of the change in salary increase</b>		
a) Impact due to increase of 0.50%	<b>33.60</b>	28.81
b) Impact due to decrease of 0.50%	<b>(30.88)</b>	(26.52)

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### vii Maturity profile of defined benefit obligation

Within the next 12 months (next annual reporting period)	203.53	168.99
Between 2 and 5 years	78.41	58.02
Beyond 5 years	398.21	333.46
<b>Total expected payments</b>	<b>680.15</b>	<b>560.47</b>

### Holding Company

The average duration of the defined benefit plan obligation at the end of the reporting period is 32.75 years (31 March 2018: 32.51 years).

### Subsidiary Company

The average duration of the defined benefit plan obligation at the end of the reporting period is 22.33 years (March 31, 2018: 22.47 years).

### B. Defined contribution plans

The Group's contribution to state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

## 44 Financial Instruments

### A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments	9	54.47	826.85
<b>Financial assets measured at amortised cost:</b>			
Loans	13	73.02	44.92
Other financial assets	4 & 14	195.70	194.86
Trade receivables	10	2,016.42	2,203.77
Cash and cash equivalents	11	1,227.99	2,781.38
Other bank balances	12	5,058.16	1,348.41
<b>Total</b>		<b>8,625.76</b>	<b>7,400.19</b>
<b>Financial liabilities measured at amortised cost:</b>			
Borrowings	19 & 24	79,149.74	76,344.78
Other financial liabilities	20 & 26	2,270.96	1,956.03
Trade payables	25	3,455.89	2,662.05
<b>Total</b>		<b>84,876.59</b>	<b>80,962.86</b>

### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

#### The categories used are as follows:

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2019	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	9	54.47	-	-	54.47
<b>Financial assets measured at amortised cost:</b>					
Loans	13	-	73.02	-	73.02
Other financial assets	4 & 14	-	195.70	-	195.70
Trade receivables	10	-	2,016.42	-	2,016.42
Cash and cash equivalents	11	-	1,227.99	-	1,227.99
Other bank balances	12	-	5,058.16	-	5,058.16
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	19 & 24	-	79,149.74	-	79,149.74
Other financial liabilities	20 & 26	-	2,270.96	-	2,270.96
Trade payables	25	-	3,455.89	-	3,455.89
<b>As at 31 March 2018</b>					
	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	9	826.85	-	-	826.85
<b>Financial assets measured at amortised cost:</b>					
Loans	13	-	44.92	-	44.92
Other financial assets	4 & 14	-	194.86	-	194.86
Trade receivables	10	-	2,203.77	-	2,203.77
Cash and cash equivalents	11	-	2,781.38	-	2,781.38
Other bank balances	12	-	1,348.41	-	1,348.41
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	19 & 24	-	76,344.78	-	76,344.78
Other financial liabilities	20 & 26	-	1,956.03	-	1,956.03
Trade payables	25	-	2,662.05	-	2,662.05

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- long-term loans and advances and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- The fair values of the Group's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2019 was assessed to be insignificant.
- All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

### C Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, security deposits taken, employee related payables, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

principal financial assets include investments, loan to subsidiary, security deposits given, employee advances, trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investments, loans and borrowings, deposits and advances.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018..

### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

	<b>Increase / Decrease in basis point</b>	<b>Effect on profit before tax</b>
	<b>INR lakhs</b>	
<b>31-Mar-19</b>	<b>+50%</b>	<b>-380.64</b>
	<b>-50%</b>	<b>380.64</b>
<b>31-Mar-18</b>	<b>+50%</b>	<b>-377.26</b>
	<b>-50%</b>	<b>377.26</b>

### **Foreign currency risk**

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

<b>Particulars</b>	<b>As at March 31, 2019</b>		<b>As at March 31, 2018</b>	
	<b>Foreign currency</b>	<b>Amount (Rs. lakhs)</b>	<b>Foreign currency</b>	<b>Amount (Rs. lakhs)</b>
<b>Trade payables</b>				
USD	<b>860,074.00</b>	<b>597.02</b>	1,009,721.11	656.93

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the Group operating activities.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

	Change in USD rate	Effect on profit before tax INR lakhs
31-Mar-19	+5%	-29.85
	-5%	29.85
31-Mar-18	+5%	-32.85
	-5%	32.85

### Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

### **Trade receivables:**

Customer credit risk is managed by company subject to the policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts of the financial instruments.

### Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

31 March 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	10,553.30	51,745.63	97,757.70	160,056.64
Trade payables	3,455.84	-	-	3,455.84
Other financial liabilities	1,454.77	366.74	11,174.26	12,995.76
<b>Total</b>	<b>15,463.91</b>	<b>52,112.37</b>	<b>108,931.96</b>	<b>176,508.24</b>
31 March 2018	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	10,255.56	48,160.50	102,999.44	161,415.50
Trade payables	2,662.06	-	-	2,662.06
Other financial liabilities	1,282.68	232.70	10,519.68	12,035.06
<b>Total</b>	<b>14,200.30</b>	<b>48,393.20</b>	<b>113,519.12</b>	<b>176,112.62</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### 45 Capital management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 43% and 48%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables and cash and cash equivalents.

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding liability	99,045.60	95,237.28
Less : Cash and Cash equivalents	1,227.99	2,781.38
Net outstanding liability (A)	97,817.61	92,455.90
Total net worth (B)	12,187.44	12,535.05
<b>Gearing ratio (A)/(A+B) (%)</b>	<b>88.92%</b>	<b>88.06%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

### 46 SEGMENT INFORMATION

#### Information regarding Primary Segment Reporting as per Ind AS-108

The Group is engaged in only one segment of Hotel business. The Group has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these financial statements.

### 47 Changes in accounting policies

#### A Disaggregation of revenue

Prior to adoption of IND AS 115, the Group revenue primarily comprised of revenue from hotel operations. The recognition of revenue has remained largely unchanged by IND AS 115. The Group derives revenue from the transfer of products and services at a point in time as follows:

Revenue from operations	Year ended March 31, 2019	Year ended March 31, 2018
<b>Revenue from Contracts with Customer</b>		
Rooms	22,475.04	20,086.04
Wines and liquor	3,046.93	2,554.18
Food, other beverages, smokes & banquets	12,777.11	11,390.84
Sub License Fees (including maintenance fee)	1,221.01	1,163.27
Other operating revenue	3,700.57	3,325.16
<b>Total</b>	<b>43,220.66</b>	<b>38,519.49</b>

#### B Changes in balance of contract liabilities during the year:

Description	March 31, 2019	March 31, 2018
<b>Opening balance of contract liabilities</b>	<b>666.20</b>	450.46
Addition in balance of contract liabilities for current year	619.14	666.20
Amount of revenue recognised against opening contract liabilities	(666.20)	(450.46)
<b>Closing balance of contract liabilities</b>	<b>619.14</b>	<b>666.20</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

(All amount in Rs. Lakhs, unless otherwise stated)

### C Assets and liabilities related to contracts with customers

Description	March 31, 2019	March 31, 2018
<b>Contract liabilities</b>		
Advance from customers	619.14	666.20
<b>Contract assets</b>		
Trade receivables	2,016.42	2,203.77

48 Figures of the previous year have been regrouped and reclassified wherever necessary to make them comparable with the current year figures.

The accompanying notes are an integral part of financial statements

As per our report of even date

For and on behalf of the Board of Directors of  
Asian Hotels (West) Limited

### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

### ATUL SEKSARIA

Partner

Membership No. 086370

### SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

### SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN : 00057942

### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 21, 2019





**ASIAN HOTELS (WEST) LIMITED**

**CIN: L55101DL2007PLC157518**

**Regd. Office :** 6th Floor, Aria Towers, J.W. Marriott, New Delhi, Aerocity,  
Asset Area 4, Hospitality District, Near IGI Airport, New Delhi - 110 037

Phone : 91 11 4610 1210; Fax : 91 11 4159 7321; Website: [www.asianhotelswest.com](http://www.asianhotelswest.com)

## ASIAN HOTELS (WEST) LIMITED

CIN: L55101DL2007PLC157518

Registered office: 6th Floor, Aria Towers, JW Marriott, New Delhi, Aerocity,  
Asset Area 4 Hospitality District, Near IGI Airport, New Delhi - 110 037  
Tel: 011-46101210, Fax: 011-41597321, email: [vivek.jain@asianhotelswest.com](mailto:vivek.jain@asianhotelswest.com),  
Website: [www.asianhotelswest.com](http://www.asianhotelswest.com)

### NOTICE

Notice is hereby given that the **12<sup>th</sup> Annual General Meeting** (AGM) of the members of Asian Hotels (West) Limited will be held on Saturday, 17<sup>th</sup> August, 2019 at 3.00 PM at Mapple Emerald, NH8, Rajokri, New Delhi 110038 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements including Balance Sheet as at 31<sup>st</sup> March, 2019 and the Profit and Loss Account as on that date along with the Auditors' Report and Directors' Report thereon.
2. To consider and declare Dividend on Equity Shares of the Company, for the Financial Year ended 31<sup>st</sup> March 2019.
3. To appoint a Director in place of Mr. Sushil Kumar Gupta (DIN: 00006165), who retires by rotation, and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Meeta Makhan (DIN 07135150), Independent Director of the Company, whose current period of office is expiring on March 31, 2020 and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and being eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the rules made thereunder read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member signifying her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for second term of five consecutive years with effect from April 01, 2020 to March 31, 2025.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:  
“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules notified thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of Central Government, if required, approval of the Company be and is hereby accorded for re-appointment of Mr. Sushil Kumar Gupta (DIN: 00006165) as Managing Director of the Company, for a period of 5 (five) years with effect from 1<sup>st</sup> November, 2019 to 31<sup>st</sup> October, 2024 (expiry of term of office) on the payment of following remuneration and on the terms and conditions as set out in the explanatory statement annexed herewith, with liberty to Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and/or modify the terms and conditions, including remuneration, benefits and perquisites payable/made available to the appointee of the said appointment as it may deem fit and as may be acceptable to Mr. Sushil Kumar Gupta :
  - i. SALARY (BASIC) PER MONTH: Rs.9,00,000/- (for the period 01<sup>st</sup> November, 2019 to 31<sup>st</sup> October, 2020), Rs.9,63,000/- (for the period 01<sup>st</sup> November, 2020 to 31<sup>st</sup> October, 2021) and Rs.10,30,000/- (for the period 01<sup>st</sup> November, 2021 to 31<sup>st</sup> October, 2022).
  - ii. COMMISSION: At a rate not exceeding 2% (Two Percent) of the net profits of the Company, as may be decided by the Board of Directors, for each financial year.
  - iii. PERQUISITES:
    - A. Housing: The expenditure by the Company on hiring (furnished or otherwise) accommodation will not exceed 60% of Salary. In case no accommodation is provided by the Company, Mr. Sushil Kumar Gupta shall be entitled to house rent allowance @ 60% of salary.

- B. Medical Reimbursement: Expenses incurred for Mr. Sushil Kumar Gupta and his family on medical treatment and expenses incidental thereto, subject to ceiling of three months' salary in a year or Nine months' salary over a period of three years.
- C. Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination.
- D. Club Fees: Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.
- E. Personal Accident Insurance: As per rules of the Company.
- F. Employers' Contribution to Provident Fund/ Superannuation Fund: As per rules of the Company.
- G. Gratuity: Gratuity payable shall be at the rate of 15 days' salary for each completed year of service in accordance with the rules.
- H. Car / Telephone: Car with driver for use on Company's business and telephone/telefax facility at residence will be provided to Mr. Sushil Kumar Gupta. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Sushil Kumar Gupta

**RESOLVED FURTHER THAT** Mr. Sushil Kumar Gupta, Managing Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration;

- a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961;
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- c) Encashment of leave at the end of the tenure.

**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits of the Company, during the term of the office of Mr. Sushil Kumar Gupta, the remuneration as mentioned, shall be paid to him as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall also include committee thereof) be and is hereby authorized to alter and vary the terms and conditions and/or remuneration, as may be agreed to between the Board and Mr. Sushil Kumar Gupta, Managing Director in accordance with the provision of the Act, and/or any statutory modification or re-enactment thereto and/or the guidelines issued in this respect as in force and as amended or otherwise permissible from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules notified thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of Central Government, if required, approval of the Company be and is hereby accorded for re-appointment of Mr. Sandeep Gupta (DIN: 00057942), Executive (Whole Time) Director of the Company, for a period of 5 (five) years with effect from 10th May, 2020 to 9th May, 2025 (expiry of term of office) on the payment of following remuneration and on the terms and conditions as set out in the explanatory statement annexed herewith, with liberty to Board to Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and/or modify the terms and conditions, including remuneration, benefits and perquisites payable/made available to the appointee of the said appointment as it may deem fit and as may be acceptable to Mr. Sandeep Gupta:

- i. **SALARY (BASIC) PER MONTH:** Rs.8,02,500/- (for the period 10th May, 2020 to 9th May, 2021), Rs.8,58,675/- (for the period 10th May, 2021 to 9th May, 2022) and Rs.9,18,500/- (for the period 10th May, 2022 to 9th May, 2023).
- ii. **COMMISSION:** At a rate not exceeding 2% (Two Percent) of the net profits of the Company, as may be decided by the Board of Directors, for each financial year.
- iii. **PERQUISITES:**
  - A. **Housing:** The expenditure by the Company on hiring (furnished or otherwise) accommodation will not exceed 60% of Salary. In case no accommodation is provided by the Company, Mr. Sandeep Gupta shall be entitled to house rent allowance @ 60% of salary.

- B. Medical Reimbursement: Expenses incurred for Mr. Sandeep Gupta and his family on medical treatment and expenses incidental thereto, subject to ceiling of three months' salary in a year or Nine months' salary over a period of three years.
- C. Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination.
- D. Club Fees: Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.
- E. Personal Accident Insurance: As per rules of the Company.
- F. Employers' Contribution to Provident Fund/ Superannuation Fund: As per rules of the Company
- G. Gratuity: Gratuity payable shall be at the rate of 15 days' salary for each completed year of service in accordance with the rules.
- H. Car / Telephone: Car with driver for use on Company's business and telephone/telefax facility at residence will be provided to Mr. Sandeep Gupta. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Sandeep Gupta

**RESOLVED FURTHER THAT** Mr. Sandeep Gupta, Executive (Whole Time) Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration;

- a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961;
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- c) Encashment of leave at the end of the tenure.

**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits of the Company, during the term of the office of Mr. Sandeep Gupta, the remuneration as mentioned, shall be paid to him as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall also include committee thereof) be and is hereby authorized to alter and vary the terms and conditions and/or remuneration, as may be agreed to between the Board and Mr. Sandeep Gupta, Executive (Whole-Time) Director, in accordance with the provision of the Act, and/or any statutory modification or re-enactment thereto and/or the guidelines issued in this respect as in force and as amended or otherwise permissible from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules notified thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of Central Government, if required, approval of the Company be and is hereby accorded for re-appointment of Mr. Sudhir Gupta (DIN: 00015217), Executive (Whole Time) Director of the Company, for a period of 5 (five) years with effect from 10<sup>th</sup> May, 2020 to 9<sup>th</sup> May, 2025 (expiry of term of office) on the payment of following remuneration and on the terms and conditions as set out in the explanatory statement annexed herewith, with liberty to Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and/or modify the terms and conditions, including remuneration, benefits and perquisites payable/made available to the appointee of the said appointment as it may deem fit and as may be acceptable to Mr. Sudhir Gupta:

- i. SALARY (BASIC) PER MONTH: Rs.8,02,500/-(for the period 10<sup>th</sup> May, 2020 to 9<sup>th</sup> May, 2021), Rs.8,58,675/- (for the period 10<sup>th</sup> May, 2021 to 9<sup>th</sup> May, 2022) and Rs.9,18,500/- (for the period 10<sup>th</sup> May, 2022 to 9<sup>th</sup> May, 2023).
- ii. COMMISSION: At a rate not exceeding 2% (Two Percent) of the net profits of the Company, as may be decided by the Board of Directors, for each financial year.
- iii. PERQUISITES:
  - A. Housing: The expenditure by the Company on hiring (furnished or otherwise) accommodation will not exceed 60% of Salary. In case no accommodation is provided by the Company, Mr. Sudhir Gupta shall be entitled to house rent allowance @ 60% of salary.

- B. Medical Reimbursement: Expenses incurred for Mr. Sudhir Gupta and his family on medical treatment and expenses incidental thereto, subject to ceiling of three months' salary in a year or Nine months' salary over a period of three years.
- C. Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination.
- D. Club Fees: Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.
- E. Personal Accident Insurance: As per rules of the Company.
- F. Employers' Contribution to Provident Fund/ Superannuation Fund: As per rules of the Company
- G. Gratuity: Gratuity payable shall be at the rate of 15 days' salary for each completed year of service in accordance with the rules.
- H. Car / Telephone: Car with driver for use on Company's business and telephone/telefax facility at residence will be provided to Mr. Sudhir Gupta. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Sudhir Gupta.

**RESOLVED FURTHER THAT** Mr. Sudhir Gupta, Executive (Whole-Time) Director shall also be eligible for the following perquisites which shall not be included in the computation of the ceiling on remuneration;

- a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961;
- b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- c) Encashment of leave at the end of the tenure.

**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits of the Company, during the term of the office of Mr. Sudhir Gupta, the remuneration as mentioned, shall be paid to him as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall also include committee thereof) be and is hereby authorized to alter and vary the terms and conditions and/or remuneration, as may be agreed to between the Board and Mr. Sudhir Gupta, Executive (Whole-Time) Director, in accordance with the provision of the Act, and/or any statutory modification or re-enactment thereto and/or the guidelines issued in this respect as in force and as amended or otherwise permissible from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

- 8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of the Sections 41, 42, 62 and 71, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) and the applicable rules thereunder (the "Companies Act"), the provisions of the Memorandum of Association and Articles of Association of the Company, and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018, as amended (the "SEBI ICDR Regulations"), the Listing Obligations entered into with the respective stock exchanges where the shares of the Company are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 (the "FCCB Scheme"), as amended, the Depository Receipts Scheme, 2014, the Consolidated Foreign Direct Investment Policy, issued by the Department of Industrial Policy and promotion, Ministry of Commerce and Industry, Government of India from time to time, and in accordance with the rules, regulations, guidelines, notification, circulars and clarifications issued from time to time, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies, (the "ROC"), the Stock Exchanges, and/or any other competent authorities and subject to any required approvals, consents, permissions and/or sanctions from the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce and Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance), the SEBI, the ROC, the RBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, the consent of the Members of the Company be and is hereby accorded to create, issue, offer and allot

(including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company, as may be permitted), either in India or in the course of international offering(s) in one or more foreign markets, equity shares of the Company with a face value of Rs. 10/- each (Rupees Ten Only) (the "Equity Shares"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs") Foreign Currency Convertible Bonds ("FCCBs") and/or other financial instruments convertible into or exchangeable for Equity Shares (including warrants, or otherwise, in registered or bearer form), fully convertible debentures, partly convertible debentures, non-convertible debentures with warrants and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as the "Securities") or any combination of Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, through public and /or private offerings and/or preferential allotment basis, including without limitation through a Qualified Institutional Placement ("QIP") in accordance with Chapter VI of SEBI ICDR Regulations, or any combination thereof or by issue of prospectus and/ or placement document and/or other permissible/requisite offer document to any eligible person(s), including but not limited to qualified institutional buyers (as defined in the SEBI ICDR Regulations) ("QIBs") in accordance with Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, Indian and/or multilateral financial institutions, non-resident Indians, stabilizing agents, state industrial development corporations, insurance companies, provident funds, pension funds and/or any other categories of investors whether or not such investors are members of the Company (collectively referred to as the "investors"), as may be decided by the Board at its discretion and permitted under applicable laws and regulations for an aggregate amount not exceeding Rs. 80 Crores (Rupees Eighty Crores only) or equivalent thereof in any foreign currency, inclusive of such premium as may be fixed on such securities at such time or times, in such a manner and on such terms and conditions including security, rate of interest, discount (as permitted under applicable law) etc., as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/or underwriter(s) and/or other advisor(s) for such issue. The number and/or price of Securities shall be appropriately adjusted for corporate actions such as bonus, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

**RESOLVED FURTHER THAT** if any issue of Securities is made by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of Eligible Securities, or any combination thereof as may be decided by the Board shall be completed within 12 (Twelve) months from the date of approval of the shareholders of the Company by way of special resolution for approving QIP or such other time as may be allowed under the SEBI ICDR Regulations at a price not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations, provided that the Board may, in accordance with the applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on such price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations. The Eligible Securities shall be allotted on a fully paid basis (subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants, where the tenure of any convertible or exchangeable Eligible Securities shall not exceed 60 months from the date of the allotment), and the aggregate of all QIPs made by the Company in the same financial year shall not exceed five times the net worth of the Company as per the audited balance sheet of the previous year.

**RESOLVED FURTHER THAT** in the event that the Equity Shares are issued to QIBs under Chapter VI of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decided to open the proposed issue of the Equity Shares and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to QIBs under Chapter VI of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of such securities, shall be the date of the meeting in which the Board/ (including committee of the Board) decides to open the issue of such convertible securities or the date on which the holders of such other time as may be permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules, regulations as amended from time to time, in relation to the proposed issue of the convertible securities.

**RESOLVED FURTHER THAT** the relevant date for the determination of the applicable price for the issue of any other Securities shall be as per the regulations/guidelines prescribed by the SEBI, the Ministry of Finance, the RBI, the GOI through their various departments, or any other regulator, as the case may be, and the pricing of any Equity Shares issued upon the conversion of such Securities shall be made subject to and in compliance with the applicable rules and regulations.

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolutions:

- a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- b) Any Equity Shares that may be created, offered, issued and allotted by the Company shall rank paripassu with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to the applicable laws, rules, regulations and guidelines and subject to the approvals, consents and permissions, if any, of the governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approvals, consents or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon the conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking paripassu with the existing Equity Shares in all respect.

**RESOLVED FURTHER THAT** in addition to all applicable Indian laws, the Securities issued pursuant to this Resolution shall also be governed by all applicable laws of any foreign jurisdiction where such Securities are proposed to be marketed or listed, or that may in any other manner apply in this relation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the resolutions described above, the Board or any Committee of Board thereof be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under the applicable law (now or hereafter), premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments, and other documents, including the private placement offer letter, creation of mortgage/charge in accordance with the provision of the Companies Act in respect of any Securities as may be required either on paripassu basis or otherwise, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the ROC, the lead managers, or other authorities or agencies involved in or concerned with the issue of Securities and as the Board or Committee thereof may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to this Resolution may be exercised by the Board or Committee thereof as the Board has constituted or may constitute in this behalf, to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER THAT** the Board or Committee thereof be and is hereby authorized to engage/appoint lead managers, underwriters, guarantors, depositories, custodian, registrars, stabilizing agent, trustees, bankers, advisors and all such agencies as may be involved or concerned in such offering of the Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more national and/or international stock exchange(s).

**RESOLVED FURTHER THAT** subject to applicable laws, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of directors or any whole-time Director or any other officer(s) of the Company to give effect to the aforesaid resolutions.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 (Act) (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI Listing Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the payment of commission to the Non-Executive Directors of the Company (i.e., Directors other than the Managing Director and/or Whole Time Directors) to be determined by the Board of Directors for each of such Non-Executive Director for each financial year and distributed between such Directors in such a manner as the Board of Directors or Nomination & Remuneration Committee may from time to time determine within the overall maximum limit of 1% (one percent) per annum, of the net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Act.

**RESOLVED FURTHER THAT** the above remuneration shall be in addition to the fee payable to the director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution”.

**By order of Board of Directors  
For Asian Hotels (West) Limited**

**Date: 21<sup>st</sup> May, 2019**

**Place: New Delhi**

**Vivek Jain  
Company Secretary  
Membership No – F7204**

**NOTES:**

1. The Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) in respect of the special business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING.**
3. A proxy form in Form MGT-11 for the AGM is enclosed herewith. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Corporate Members intending to send their authorized representative(s) u/s 113 of the Companies Act, 2013 (the Act), are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the meeting.
5. In case of joint holding, the joint holder whose name stands first, as per the Company’s records, shall alone be entitled to vote.
6. All the documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 10<sup>th</sup> August, 2019 till Saturday, 17<sup>th</sup> August, 2019, both days inclusive.
8. The dividend, if declared by the Company in the AGM, will be paid to those members or to their mandates whose name stand registered as:



- a. Beneficial owner(s) as at the end of business on 9<sup>th</sup> August, 2019, as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and
  - b. Members whose names stand in the Register of Members of the Company, as at the end of business on 9<sup>th</sup> August, 2019.
9. Members / Proxy-holders are requested to produce at the entrance, the attached Attendance Slip duly filled in, for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID for identification.
  10. Shareholders who have not received and/or not encashed the dividend warrant(s) in respect of Dividend(s) declared for the Financial Years 2011-12; 2012-13; 2013-14; 2014-15, 2015-16, 2016-17 and 2017-18 are requested to apply for duplicate dividend warrant(s) by writing to the Company/Registrar.
  11.
    - a) Members holding shares in Physical form are requested to notify the Registrar and Share Transfer Agent (RTA)/ Company change in their address, if any, with pin code, quoting their folio number.
    - b) Members holding shares in electronic form should notify any change in their residential address or bank details directly to their respective Depository Participants.
  12. Non-Resident Indian Shareholders are requested to inform the RTA/ Company/ respective Depository Participant:
    - a) Particulars of NRE/NRO Bank Account maintained in India with complete name and address of the Bank, if not already intimated.
    - b) Change, if any, in their Residential status.
  13. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.
  14. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
  15. SEBI has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company prints the bank account details, if available, on the warrant for distribution of dividend. Therefore, to avoid any fraudulent encashment of warrants, the members are requested to furnish, quote their folio number, following information to the RTA / Company / respective depository participant so that requisite details could be printed on all future dividend warrants:
    - a. Name of the Sole/First Joint Holder, and
    - b. Particulars of his/her Bank account, viz. account number, name of Bank and complete address of the Branch with Pin code Number.
  16. For effecting changes in address / bank details / ECS mandate etc., shareholders are requested to contact the RTA in case of shares held in physical form / their respective Depository Participant in case of shares held in dematerialised form.
  17. In terms of Section 134 of the Companies Act, 2013 and Rule 11(a) of the Companies (Accounts) Rules, 2014, financial statements are being sent through electronic mode to such Members whose shareholding is in dematerialised form and whose email addresses are registered with Depository and / or the Company. For Members who have not registered their email addresses, physical copies of the Annual Reports are being sent by the permitted mode. Shareholders who have received Annual Report by e-mail and who wish to have printed Annual Report, can seek copy thereof from Company's Registrar & Transfer Agent M/s Karvy Fintech Private Limited, Unit: Asian Hotels (West) Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Mandal, Hyderabad – 500 032 or Asian Hotels (West) Limited, 6th Floor, Aria Towers, J.W Marriott, Aerocity, Asset Area 4, Hospitality District, Near IGI Airport, New Delhi -110037. The Notice of the AGM and copies of Audited Financial Statements, Directors Report, Auditor's Report etc will also be displayed on the website of the Company [www.asianhotelswest.com](http://www.asianhotelswest.com).

18. The Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial year 2010-11 till 3<sup>rd</sup> July, 2018 (Date of 11<sup>th</sup> AGM), on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Section" on the Website of the Company viz. [www.asianhotelswest.com](http://www.asianhotelswest.com).
19. Members holding shares in a single name and physical form are advised to make nomination in respect of their shareholding in the Company.
20. Electronic copy of the Notice of the 12<sup>th</sup> AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email Addresses are registered with the Company and / or Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Notice of the 12<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
21. The Board of Directors has appointed Mr. Dhawal Kant Singh, Company Secretary in Whole Time Practice, (CP No 7347), as the Scrutinizer to scrutinize the voting and remote E-Voting process in a fair and transparent manner. The Scrutinizer shall, within a period of two working days from the conclusion of the E-Voting period, unlock the votes in the presence of at least two witnesses, not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
22. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. close of business hours on 9<sup>th</sup> August, 2019 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
23. A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member cast votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
  - i) The voting rights of the shareholders shall be in proportion to the shares held by them, of the paid-up equity share capital of the Company as on the cut-off date of close of working hours of 9<sup>th</sup> August, 2019.
  - ii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.asianhotelswest.com](http://www.asianhotelswest.com) and on the website of KARVY within two days of passing of the resolutions at the 12<sup>th</sup> Annual General Meeting of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Ltd.
24. **Shareholders are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.**
25. Members are requested to bring along their copy of the Annual Report to the meeting.
26. All the businesses mentioned in the Notice may also be transacted through electronic voting system arranged by KARVY. The process for e-voting has been annexed in the Notice.

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

1. The e-voting period commences on 14<sup>th</sup> August, 2019 (9.00 A.M. IST) and ends on 16<sup>th</sup> August, 2019 (5.00 P.M. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 9<sup>th</sup> August, 2019, may cast their votes electronically. At the end of the voting period the portal shall forthwith be blocked.
2. Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
3. Enter the login credentials (i.e., user-id & password) mentioned on the Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:-
	a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID
	b) For CDSL :- 16 digits beneficiary ID
	For Members holding shares in Physical Form:-
	*Event no. followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

4. For any queries or grievance or clarification regarding e-voting process the members may contact Mr. Vivek Jain, Company Secretary & Compliance Officer of the Company or can contact RTA toll free No. 1-800-34-54-001.
5. After entering these details appropriately, click on "LOGIN".
6. Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Fintech Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1<sup>st</sup> login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
7. You need to login again with the new credentials.
8. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
9. If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any Company, then your exiting login id and password are to be used.
10. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
11. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
12. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
13. Corporate/Institutional Members (corporate/FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [info@dsassociate.com](mailto:info@dsassociate.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
14. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 9<sup>th</sup> August, 2019, he/she may obtain the User ID and Password in the manner as mentioned below :  
If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may sendSMS: MYEPWD  
<space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399 Example for NSDL: MYEPWD <SPACE> IN12345612345678  
Example for CDSL:MYEPWD <SPACE> 1402345612345678  
Example for Physical:MYEPWD <SPACE> XXXX1234567890

**By order of Board of Directors  
For Asian Hotels (West) Limited**

**Date: 21<sup>st</sup> May, 2019  
Place: New Delhi**

**Vivek Jain  
Company Secretary  
Membership No – F7204**

## **Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013**

### **ITEM NO. 4**

Pursuant to the provisions of Sections 149, 150, 152 and Schedule IV of the Companies Act, 2013 read with rules thereunder, Mrs. Meeta Makhan, (hereinafter referred as the Appointee) was appointed as Independent Director of the Company for a period of five years upto March, 31, 2020. Since, the appointee will complete her initial term as Independent Director of the Company on March 31, 2020, she is eligible for re-appointment for one more term as per Section 149 of the Companies Act, 2013. Nomination and Remuneration Committee after carrying a detailed performance evaluation of the appointee (in its meeting held on 21<sup>st</sup> May, 2019) has found her performance as satisfactory and has recommended her re-appointment to the Board for the second term as provided in the resolution.

The Company has received a declaration from her confirming that she meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, she fulfils the conditions specified in the Companies Act. A copy of the draft letter for her re-appointment setting out the terms and conditions is available for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of the appointee to be re-appointed as Independent Director as per the provisions of the Companies Act, 2013. Brief profile of the appointee is enclosed and detailed profile is available on [www.asianhotelswest.com](http://www.asianhotelswest.com).

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs Meeta Makhan. Accordingly, the Board recommends the passing of resolution set out in Item No. 4 as a Special Resolution. Except Mrs. Meeta Makhan, to the extent of her shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution as set out in item no. 4 of the Notice.

### **ITEM NO 5 to 7**

The members may note that in the 7<sup>th</sup> Annual General Meeting of the Company (held on 20<sup>th</sup> September, 2014), the members of the Company had re-appointed Mr. Sushil Kumar Gupta as Managing Director of the Company, for a period of five years w.e.f. 1<sup>st</sup> November, 2014 to 31<sup>st</sup> October, 2019 and in the same AGM members re-appointed Mr. Sudhir Gupta and Mr. Sandeep Gupta as Executive (Whole-time) Directors of the Company, for a period of five year w.e.f. 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020.

The Board proposes to reappoint Mr. Sushil Kumar Gupta, as Managing Director of the Company for a further period of five years (effective 01<sup>st</sup> November, 2019 to 31<sup>st</sup> October, 2024) and Mr. Sudhir Gupta and Mr. Sandeep Gupta as Executive (Whole-time) Directors of the Company for a further period of five years (effective 10<sup>th</sup> May, 2020 to 9<sup>th</sup> May, 2025).

Your Company under the leadership of Mr. Sushil Kumar Gupta, Mr. Sudhir Gupta and Mr. Sandeep Gupta transformed from a Company having one Luxury Hotel Property at Mumbai to a Hotel group having approx 1000 Rooms Group Company, having presence in Delhi and Mumbai. The Company, through its Subsidiary, has set up 5 Star deluxe Hotel under the Brand J W Marriott at New Delhi, Near IGI Airport, New Delhi in 2013.

It is expected that the profits of the company may be inadequate in the current and ensuing financial years, to pay the remuneration to aforesaid Directors. Considering their key role in the growth of the company in terms of turnover and profits and keeping in view of the requirement to maintain the compensation levels in line with the industry standards, and in anticipation of inadequate profits, the approval of the shareholders is being sought by way of Special Resolution for the appointment and payment of remuneration to Mr. Sushil Kumar Gupta, Managing Director; Mr. Sudhir Gupta, Executive (Whole-time) Director and Mr. Sandeep Gupta, Executive (Whole-time) Director of the Company, in compliance with limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013.

Further Section 196 read with Schedule V of the Act provides that no company shall appoint any person as managing director, who has attained the age of 70 years, unless his appointment is approved by a special resolution. As Mr. Sushil Kumar Gupta has attained the age of 75 years, hence it is intended to seek approval of the members through special resolution to comply with the relevant provisions of the Act.

Further Mr. Sushil Kumar Gupta, Mr. Sudhir Gupta and Mr. Sandeep Gupta shall not be entitled to any sitting fees for attending Board/Committee Meetings of the Company.

Accordingly, the following special resolution(s) for re-appointment for period of 5 years and payment of the minimum remuneration (for period of 3 Years only) are placed before the shareholders for approval:

- (i) Mr. Sushil Kumar Gupta, Managing Director for the period from 01<sup>st</sup> November, 2019 to 31<sup>st</sup> October, 2024.
- (ii) Mr. Sudhir Gupta, Executive (Whole-time) Director for the period from 10<sup>th</sup> May, 2020 to 9<sup>th</sup> May, 2025.
- (iii) Mr. Sandeep Gupta, Executive (Whole-time) Director for the period from 10<sup>th</sup> May, 2020 to 9<sup>th</sup> May, 2025.

None of the Directors / Key Managerial Personnel of the Company / their relatives, other than Mr. Sushil Kumar Gupta, Mr. Sudhir Gupta and Mr. Sandeep Gupta, are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5-7 of the Notice.

The details of the appointment and remuneration as set out in the resolution may be regarded as an abstract of the terms and conditions and memorandum of concern or interest for the purpose of Section 196, 197 read with Schedule V of the Companies Act, 2013 and the requirements of the said Act may be deemed to have been sufficiently complied with.

Further, a statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013 is annexed herewith which forms part of this Explanatory Statement.

## **1. General Information:**

### **Nature of Industry:**

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. During 2018, FEEs from tourism increased 4.70 percent year-on-year to US\$ 28.59 billion. FEEs during January 2019 was US\$ 2.55 billion.

India is one of the most digitally-advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey, India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism.

During 2018, foreign tourist arrivals (FTAs) in India stood at 10.56 million, achieving a growth rate of 5.20 per cent year-on-year. FTAs in January 2019 stood at 1.10 million, up 5.30 per cent compared to 1.05 million year-on-year.

The Company owns and runs a 5 star luxury hotel by the name - Hyatt Regency Mumbai. This hotel is located on Sahar Airport Road in Mumbai, India. Hyatt Regency Mumbai is one of the city's premier gateway hotels. The hotel is adjacent to Mumbai's international airport and minutes from the Santacruz domestic airport. Hyatt Regency Mumbai is the preferred hotel for business travelers visiting the city of Mumbai.

### **Date of commencement of Commercial production:**

The Company was originally incorporated under the name and style of Chillwinds Hotels Private Limited on January 8, 2007, under the Companies Act, 1956, with the Registrar of Companies, NCT of Delhi and Haryana. The Company was converted into a Public Company and the subsequently the name was changed to Chillwinds Hotels Limited w.e.f August 25, 2007. The name of the Company was further changed to Asian Hotels (West) Limited w.e.f February 12, 2010 after the demerger of erstwhile Asian Hotels Limited ("AHL") and vesting of Mumbai Undertaking of AHL in the Company.

The Hon'ble High Court of Delhi at New Delhi, vide its Order dated January 13, 2010, has approved the Scheme of Arrangement/ De-merger of Asian Hotels Limited whereby the Mumbai and Kolkata undertakings of Asian Hotels Limited have been transferred to and vested in Transferee Company-I (Chillwinds Hotels Limited now known as Asian Hotels (West) Limited) and Transferee Company-II (Vardhman Hotels Limited now known as Asian Hotels (East) Limited), respectively, with effect from October 31, 2009 (i.e. the Appointed Date under the Scheme) under Sections 391 to 394 of the erstwhile Companies Act, 1956.

The Mumbai Undertaking, (which primarily comprise of Hotel Hyatt Regency Mumbai) was vested with the Company from the Appointed date of the Scheme.

**Financial performance based on given indicators: (in lacs)**

Particulars	Financial Year 2016-17	Financial Year 2017-18	Financial Year 2018-19
<b>Gross Income</b>	14093.24	15232.02	15942.54
<b>Profit/(Loss) before Tax</b>	(621.88)	597.81	1657.46
<b>Profit / (Loss) after Tax</b>	(404.64)	439.33	2662.89
<b>Dividend on equity (%)</b>	10%	10%	10%

**Foreign Investments or collaborators, if any:**

The current foreign holding in the share capital of the Company as on 31<sup>st</sup> March, 2019 is as under:

Foreign holding	Number of Shares	Percentage of Shares
Foreign Body Corporate (Promoter Category)	5384555	46.21
Foreign Portfolio Investors	2719	0.02
Foreign Body Corporate (Public Category)	18840	0.16
Non Resident Indians (Public Category)	1235577	10.60
<b>Total</b>	<b>6641691</b>	<b>57</b>

**Information about the appointee's:****a) Mr. Sushil Kumar Gupta****Background details:**

Mr. Sushil Kumar Gupta, aged around 75 years, is a F.S.C., Certified Hotel Administrator, is a hotelier by profession. He has made a mark in the travel and tourism industry in India, having set up hotels and participated actively in promoting India Internationally. He was the President of Federation of Hotel & Restaurant Associations of India (FHRAI). He has been a Member of the Executive Committee of the Federation of Indian Chamber of Commerce and Industry (FICCI), and Director on the Board of Tourism Finance Corporation of India. He was also the past President of Experience India Society, a public- private partnership between Ministry of Tourism, Government of India and the hospitality industry of the country, for marketing India through its "Incredible India" campaign. He has been accorded a special honour by the Hon'ble Minister of Tourism for his contribution to promote Tourism.

Mr. Gupta currently holds the position of Chairman and Managing Director of Asian Hotels (West) Limited. Mr. Gupta was also founding promoter of erstwhile Asian Hotels Limited (AHL). AHL under the leadership of Mr. Sushil Kumar Gupta expanded from a single 5 Star Hotel Company at New Delhi, to a Company having 5 Star deluxe Hotels in Delhi, Mumbai & Kolkata.

Mr. Gupta is also the Chairman and Director of Aria Hotels and Consultancy Services Pvt. Ltd., a subsidiary of Asian Hotels (West) Limited, which has set up 523 Rooms JW Marriott Hotel at New Delhi International Airport in year 2013. He was also the Chairman of Edenpark Hotels Pvt. Ltd., a Company owning The Clarion Collection – Qutab Hotel, New Delhi.

**Past remuneration:**

During Financial Year 2018-19, Mr. Sushil Kumar Gupta has drawn an aggregate annual remuneration of Rs.166.18 lacs (on basic salary of Rs.7,65,325 per month for the period 01.04.2018 to 31.10.2018 and basic salary of Rs.8,41,858 per month for the period 01.11.2018 to 31.03.2019) in terms of the shareholders approval dated 11<sup>th</sup> July, 2017

**Recognition and Rewards:**

He was awarded the Padma Shri by the President of India for Distinguished Service to the Tourism Industry and Social Work in 2007.

He was nominated as President of Rotary International for the year 2020-21.

He has played a contributory role as a water activist and has been the President of Rotary India Water Conservation Trust (RIWCT), which has made many " watershed" developments projects in various parts of India, having changed the lives of more than half a million of people. He was also awarded Doctorate of Science (Hony.) by IIS University, Jaipur in recognition of his services for water conservation.

He is Vice Chair of Himalayan Environment Trust and had been actively involved in cleaning and greening of Gangotri Basin of the river Ganges. He has widely trekked in Garhwal Himalayas and member of the Indian Mountaineering Foundation.

He is deeply involved in healing people and promoting alternative healing systems and is Chairman emeritus of Pranic Healing Foundation Delhi.

He is also the recipient of Meritorious & Distinguished Service Awards from The Rotary Foundation.

**Job profile and suitability:**

Mr. Sushil Kumar Gupta is the Chairman and Managing Director of the Company has been serving the Company for more than 3 decades (including his association with erstwhile Asian Hotels Limited - AHL). After the Demerger of AHL, Mr. Sushil Kumar Gupta continued market driven focus and driven the Company into another growth phase. The Company's Subsidiary has developed 5 Star deluxe Hotel under the Brand J W Marriott at Delhi Aerocity, Near IGI Airport, New Delhi.

**Remuneration proposed:**

The terms of remuneration proposed are detailed in the resolution.

**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The proposed remuneration is commensurate with his experience and responsibility and is at par with the industry levels while compared to the salaries and incentives paid to the Chairman and Managing Director of companies of similar size.

**Pecuniary relationship directly/indirectly with the Company or managerial personnel if any:**

Mr. Sushil Kumar Gupta has no material pecuniary relationship directly or indirectly with the Company other than his remuneration in the capacity of a Managing Director and the shares held by him in the Company. He is the father of Mr. Sandeep Gupta, Executive (Whole Time) Director of the Company and elder brother of Mr. Sudhir Gupta, Executive (Whole Time) Director of the Company.

None of the Directors or Managerial Personnel of the Company, other than Mr. Sushil Kumar Gupta, Mr. Sudhir Gupta and Mr. Sandeep Gupta, are concerned or interested in this resolution.

**b) Mr. Sandeep Gupta**

**Background details:**

Mr. Sandeep Gupta, Executive (Whole-Time) Director of the Company, aged 50 years, is a Commerce Graduate from SRCC, New Delhi and is an alumnus of Notre Dame University, USA, (from where he did MBA with specialization in Finance and Marketing) and PDP-Cornell University. During his MBA, he worked for the Hyatt International Corporation, Chicago as a Management Trainee. On his return to India, he was appointed as Senior Vice President – Development, Asian Hotels Ltd. (owners of Hyatt Regency, Mumbai, Delhi & Kolkata) and spearheaded the development of Hyatt Regency, Mumbai and Hyatt Regency, Kolkata.

**Past remuneration:**

During Financial Year 2018-19, Mr. Sandeep Gupta has drawn an aggregate annual remuneration of Rs.139.75 Lacs (on basic salary of Rs.6,63,839 per month for the period 01.04.2018 to 09.05.2018 and basic salary of Rs.6,81,835 per month for the period 10.05.2018 to 31.03.2019) in terms of the shareholders approval dated 11<sup>th</sup> July, 2017.

**Recognition and Rewards**

Mr. Sandeep Gupta is a dynamic eminent leader in the field of hospitality and has developed properties that cater to all the segments at various price points, ranging from the mid-scale affordable accommodation of Choice Hotels to high end luxury experience of Hyatt & JW Marriott hotels in the country. Since July 2007 Mr. Gupta is an active member of the Delhi chapter of YPO, the “Young Presidents Organization”. He was previously, the President elect of Entrepreneurs Organization or EO, the under forty wing of YPO, having been a dynamic member of the board for several years.

Mr. Sandeep Gupta, has been bestowed with “Hotelier of the Year” Award at the 9<sup>th</sup> Annual Magpie Estate Hotel & Resort Awards 2017 organized by Franchise India & ET Now, held on 28<sup>th</sup> January 2017.

**Job profile and suitability:**

Mr. Sandeep Gupta has a rich experience in the Hospitality Industry. He is actively involved in the affairs of the Company and has contributed significantly to the growth of the Company. He also holds the position of Managing Director in Aria Hotels and Consultancy Services Pvt. Ltd. (ARIA), subsidiary of the Company.

**Remuneration proposed:**

The terms of remuneration proposed are detailed in the resolution

**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The proposed remuneration is commensurate with his experience and responsibility and is at par with the industry levels while compared to the salaries and incentives paid to the Whole-time Directors of companies of similar size.

**Pecuniary relationship directly/indirectly with the Company or managerial personnel if any:**

Mr. Sandeep Gupta has no material pecuniary relationship directly or indirectly with the Company other than his remuneration in the capacity of Executive (Whole-Time) Director and the shares held by him in the Company. He is the son of Mr. Sushil Kumar Gupta, Chairman and Managing Director of the Company.

None of the Directors or Managerial Personnel of the Company, other than Mr. Sandeep Gupta, Mr. Sushil Kumar Gupta and Mr. Sudhir Gupta, are concerned or interested in this resolution.

**c) Mr. Sudhir Gupta****Background details:**

Mr. Sudhir Gupta, Executive (Whole-Time) Director of the Company, aged around 60 years, is an Industrialist having rich business experience of over 30 years. He is also a Director of Aria Hotels and Consultancy Services Pvt. Ltd., Subsidiary of the Company. He has in-depth knowledge of the core business of the Company. He has wide exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of the Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision and control of the Board.

**Past remuneration:**

During Financial Year 2018-19, Mr. Sudhir Gupta has drawn an aggregate annual remuneration of Rs.139.75 Lacs (on basic salary of Rs.6,63,839 per month for the period 01.04.2018 to 09.05.2018 and basic salary of Rs.6,81,835 per month for the period 10.05.2018 to 31.03.2019) in terms of the shareholders approval dated 11<sup>th</sup> July, 2017.

**Recognition and Rewards**

Mr. Sudhir Gupta has been recognized by the Board of the Company for successfully running Hyatt Regency, Mumbai in such highly competitive market and achieving the targets.

**Job profile and suitability:**

Mr. Sudhir Gupta has immense experience in the field of Hospitality and closely monitor day to day progress in the Operations of Hotel Hyatt Regency, Mumbai. His vast knowledge of Hospitality industry has benefitted in optimizing the revenues of the Hotel.

**Remuneration proposed:**

The terms of remuneration proposed are detailed in the resolution

**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

The proposed remuneration is commensurate with his experience and responsibility and is at par with the industry levels while compared to the salaries and incentives paid to the Whole-time Director of companies of similar size.

**Pecuniary relationship directly/indirectly with the Company or managerial personnel if any:**

Mr. Sudhir Gupta has no material pecuniary relationship directly or indirectly with the Company other than his remuneration in the capacity of Executive (Whole-Time) Director and the shares held by him in the Company. He is the brother of Mr. Sushil Kumar Gupta, Chairman and Managing Director of the Company



None of the Directors or Managerial Personnel of the Company, other than Mr. Sudhir Gupta, Mr. Sushil Kumar Gupta and Mr. Sandeep Gupta, are concerned or interested in this resolution.

#### **Other Information**

##### **Reasons of loss or inadequate profits**

- i) Supply Pressure and Highly Competitive Environment: At present, the Hotel industry in India is affected by several factors, such as excess supply resulting in higher competition bringing pressure on Occupancy as well as ARR's.
- ii) High Cost of Finance: The Company has availed debt to finance the ongoing expansion drive and increased cost of debt finance affected the profitability of the Company.

##### **Steps taken or proposed to be taken for improvement**

- a) Widening geographical reach: The Company, through, its subsidiary (ARIA Owner of JW Marriott), has increased its presence in Delhi, thereby widening geographical reach of the services of the Group.
- b) Cost reduction measures: The Company has undertaken various measures for reduction of operating expenses at the Hotel Hyatt Regency, Mumbai, like Replacement of Condenser water pumps, Energy efficient AHU Replacement (Fans & Coil), CFL to LED in guest rooms (Bedside and pedestal lamps), Halogen to Led (Pillar lamps), Primary pump VFD installation, TFA unit with EC fans. The Company is also planning for additional investment in energy conservation equipments.

Further, the Company has actively negotiated and entered into a Power Purchase Agreement under Open Access Scheme to buy cheaper power & through owned captive 1 MW Solar Plant at Satara, Maharashtra

##### **Expected increase in productivity and profits in measurable terms**

The Hotel Industry follows a cyclical trend and in view of recent measures initiated by the present Government, the operating dynamics are expected to improve in the short / medium term. This should improve the overall profitability of the Company.

The steps taken by the Company will help lessen the impact of weak trade cycles and provide stability to operating profitability. With the growth in the economy and steps taken by the present Government for promoting the tourism such as E-Visa/Visa on arrival is likely to give boost to Hotel Industry. The Company aims to do better both in terms of profitability in the times to come and is focusing on retaining market share in competitive market around the Hotel.

#### **ITEM NO 8**

This special resolution contained in the Notice relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible or Non convertible Debentures and such other securities as stated in the resolution (the "Securities"), including by way of a qualified institutions placement in accordance with Chapter VI of the SEBI ICDR Regulations, in one or more tranches, at such price and on such terms and conditions as may be deemed appropriate by the Board (which term shall be deemed to include any committee thereof which the Board may have constituted) at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

This special resolution enables the Board to issue Securities for an aggregate amount not exceeding Rs. 80 Crores.

The Board shall issue Securities pursuant to this special resolution and utilize the proceeds for business purposes, including but not limited to meet capital expenditure and working capital requirements of the Company, investment in subsidiary, reduction of debt, exploring acquisition opportunities and general corporate purposes.

The special resolution seeks to empower the Board to issue by way of one or more public and/or private offerings, and/ or on preferential allotment basis including Qualified Institutions Placement ("QIP") or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers ("QIBs") as defined under the SEBI (ICDR) Regulations in accordance with Chapter VI of the SEBI (ICDR) Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors,

foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not (collectively called the “Investors”) as may be decided by the Board.

Further, if any issue of securities is made by way of QIP the Board may also offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI (ICDR) Regulations. The “Relevant Date” for this purpose will be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares as Eligible Securities and in case Eligible Securities are eligible convertible securities, then either the date of the meeting in which the Board decides to open the proposed issue or the date on which holder of Eligible Securities become eligible to apply for Equity Shares, as may be determined by the Board.

As the Issue may result in the issue of Equity Shares of the Company to investors who may or may not be members of the Company, consent of the members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the SEBI (ICDR) Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the documents referred in the Notice are available for inspection at the Registered Office of the Company.

The Board accordingly re-commends the resolution of the accompanying Notice for your approval, as in the opinion of the board this resolution is in the best interest of the Company.

The Directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of Equity Shares that may be subscribed by the companies /institutions in which they are Directors or members.

#### **ITEM NO. 9**

At the 7<sup>th</sup> Annual General Meeting of the Company held on 20<sup>th</sup> September, 2014, the Members had approved the payment of commission to Non-Executive Directors not exceeding 1 (one) percent per annum of the net profits of the Company, computed in the manner prescribed in Section 198 of the Act for a period of five years commencing from 1<sup>st</sup> April, 2014.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors and in appreciation of their contribution and services they have rendered/will be rendering to the Company, it is proposed to continue with the payment of Commission to Non-Executive Directors of the Company for all subsequent financial years commencing from 1<sup>st</sup> April, 2019. In terms of Section 197 of the Act, a company can make payment of remuneration to Non- Executive Directors, a sum not exceeding 1% of the net profits of the company. The amount to be determined by the Board as remuneration payable to the Non-Executive Directors is distributed amongst all or some of the directors in accordance with the decision that the Board may give in this regard.

The said remuneration to Non-Executive Directors shall be in addition to the sitting fee payable to them and out-of-pocket expenses incurred for attending meetings of the Board and Committees thereof. The resolution set out in Item No. 9 of the Notice is accordingly recommended by the Board for your approval.

Save and except all the Non-Executive Directors of the Company, none of the other Directors/Key managerial personnel of the Company / their relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 9 of the Notice.

**By order of Board of Directors  
For Asian Hotels (West) Limited**

**Date: 21<sup>st</sup> May, 2019  
Place: New Delhi**

**Vivek Jain  
Company Secretary  
Membership No – F7204**

**Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting of the Company  
(Pursuant to Clause 36(3) of the Listing Obligations)**

As on 31 <sup>st</sup> March, 2019				
<b>Name of the Director</b>	Mr. Sushil Kumar Gupta	Mr. Sandeep Gupta	Mr. Sudhir Gupta	Mrs. Meeta Makhan
<b>Date of Birth</b>	5th January, 1944	13 <sup>th</sup> August, 1968	3 <sup>rd</sup> April, 1959	25 <sup>th</sup> February, 1975
<b>Age</b>	75 Years	50 Years	60 Years	44 Years
<b>Date of Appointment on the Board</b>	26 <sup>th</sup> April, 2007	26 <sup>th</sup> April, 2007	26 <sup>th</sup> April, 2007	27 <sup>th</sup> March, 2015
<b>Qualifications</b>	F.S.C., Certified Hotel Administrator (CHA)	B.Com(Hons)SRCC, New Delhi, MBA from Notre Dame University, USA., Specializing in Finance & Marketing, PDP – Cornell University	Graduation from HKIS, Hongkong	PDGM (MBA) Indian Institute of Management and Bachelor of Economics (H)
<b>Expertise in specific functional area</b>	He is the founding promoter of Asian Hotels (West) Limited. He has in-depth knowledge of the core business of the Company. He has wide exposure on all aspects of business of the Company and is engaged in supervision & conduct of business of the Company, along with a team of senior management personnel, who assist him in carrying out his activities, subject to the overall supervision & control of the Board. He was awarded the Padmashree by the Honourable President of India in the year 2007.	Industrialist/Hotelier having rich business experience	Industrialist/Hotelier having rich business experience	Mrs. Meeta Makhan is having more than 20 years of experience as Banker and has headed Multinational and transaction banking businesses in leading foreign banks in India and has experience of building new businesses, change management, and leading transformational projects involving various businesses and stakeholders across organization and has deep knowledge of Indian banking and regulatory framework including strong relationships with senior management across multinational & Indian corporations.
<b>Number of shares held as on 31<sup>st</sup> March, 2019 in the Company</b>	619047	531298	214290	NIL
<b>List of Directorship held in other listed Companies</b>	NIL	NIL	NIL	NIL
<b>Membership in the Committees of the Board of other listed Company</b>	NIL	NIL	NIL	NIL
<b>Relationship between Directors</b>	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and Father of Mr. Sandeep Gupta	Mr. Sudhir Gupta is the Brother of Mr. Sushil Kumar Gupta and uncle of Mr. Sandeep Gupta	Mr. Sandeep Gupta is the Son of Mr. Sushil Kumar Gupta and Nephew of Mr. Sudhir Gupta.	N.A.

## MAP OF THE VENUE

