

S E V E N T H

*Annual*

*Report*

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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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HYATT  
REGENCY  
MUMBAI



JW MARRIOTT  
NEW DELHI AEROCITY

## BOARD OF DIRECTORS

Sushil Kumar Gupta	Chairman and Managing Director
Sudhir Chamanlal Gupta	Executive (Whole-Time) Director
Sandeep Gupta	Executive (Whole-Time) Director
Lalit Bhasin	Independent Non-Executive Director
Raj Kumar Bhargava, IAS (Retd.)	Independent Non-Executive Director
Surendra Singh Bhandari	Independent Non-Executive Director
Sunil Diwakar	Non-Executive Director
Surinder Singh Kohli	Additional Director (w.e.f. 9th August 2014)
	Independent Non-Executive Director

## COMPANY SECRETARY

Nikhil Sethi

## CHIEF FINANCIAL OFFICER

Rakesh Kumar Aggarwal

## AUDITORS

S.S. Kothari Mehta & Co.  
Chartered Accountants  
146-149, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road,  
New Delhi - 110065

## BANKERS

Kotak Mahindra Bank Ltd.

## REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT

**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 4610 1202;  
Website: www.asianhotelswest.com

## REGISTRAR & TRANSFER AGENTS

Karvy Computershare Pvt. Ltd.  
Plot No. 17 to 24, Vithalrao Nagar,  
Madhapur, Hyderabad - 500 081  
Tel No. : 040-23420815-24  
Fax No : 040-23420814  
E Mail : mailmanager@karvy.com

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# ASIAN HOTELS (WEST) LIMITED

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Registered Office: 6<sup>th</sup> Floor, Aria Towers, J.W. Marriott, Aerocity, Asset Area 4, Hospitality District, Near IGI Airport, New Delhi -110037

## NOTICE

Notice is hereby given that the Seventh Annual General Meeting (AGM) of Asian Hotels (West) Limited will be held on Saturday 20th September, 2014 at 3.00 PM at Air Force Auditorium, Subroto Park, New Delhi 110010 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date alongwith the Auditors' Report and Directors' Report thereon.
2. To declare dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Sunil Vasant Diwakar, (DIN 00089266) who retires by rotation, and being eligible, offers himself for re-appointment.
4. To re-appoint Auditors of the Company to hold office from the conclusion of this meeting until conclusion of 10<sup>th</sup> AGM of the Company and to fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules notified thereunder and pursuant to recommendation of Audit Committee, M/s. S. S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 00756N) be and are hereby appointed as Statutory Auditors of the Company to hold office from conclusion of this AGM till the conclusion of Tenth AGM (subject to ratification of their appointment at every AGM) at such remuneration as shall be fixed by Board of Directors of the Company."

### SPECIAL BUSINESS

5. 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 sections 149, 152 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), read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Raj Kumar Bhargava (DIN 00016949), an Independent Director of the Company, whose period of office is liable for determination by retirement of Directors by rotation and who pursuant to the provisions of the Act, (being an independent Director) is no longer liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary to give effect to this resolution."

6. 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 sections 149, 152 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), read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Dr. Lalit Bhasin (DIN 00001607), an Independent Director of the Company, whose period of office is liable for determination by retirement of Directors by rotation and who pursuant to the provisions of the Act, (being an Independent Director) is no longer liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary to give effect to this resolution."

7. 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 sections 149, 152 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), read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Surendra Singh Bhandari (DIN 00043525), an Independent Director of the Company, whose period of office is liable for determination by retirement of Directors by rotation and who pursuant to the provisions of the Act, (being an Independent Director) is no longer liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary to give effect to this resolution."

8. 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 sections 149, 152 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), read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Surinder Singh Kohli (DIN 00169907) who was appointed as an additional director of the Company on 9th August, 2014 and whose term expires under section 161 (1) of the Companies Act, 2012 at this AGM and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Independent Director be and is hereby appointed as Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary to give effect to this resolution."

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9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 14 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), the new set of Articles of Association, as submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby Authorized to take all such steps and actions for the purposes of making all such filings and Registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as **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 1st November, 2014 to 31<sup>st</sup> October, 2019 (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 to the Notice convening this AGM, with liberty to Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination & 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. 6,05,000/- – Rs. 45,375/- – Rs. 6,95,750/- (remuneration fixed for period of 3 Years and increased scale to be effective every subsequent 1<sup>st</sup> Day of November)
- 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, the appointee shall be entitled to house rent allowance @ 60% of salary.
  - B. Medical Reimbursement: Expenses incurred for the appointee and his family 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. Family is defined as spouse and two dependent children.
  - 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 the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee

**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** pursuant to limit prescribed under section II of Part II of Schedule V and other applicable provisions, if any, of the Act, and subject to such approvals as may be necessary, the consent of the members be and is hereby accorded to pay remuneration, as mentioned above, as minimum remuneration to Mr. Sushil Kumar Gupta, Managing Director, for that financial year in which there is inadequacy or absence of profits during the period of three years from the effective date of his re-appointment.

**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.”

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 196 & 197 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 Chamanlal Gupta (DIN: 00015217), Executive (Whole Time) Director of the Company, for a period of 5 (five) years (whose period of office shall be liable to retirement by rotation) with effect from 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020 (expiry of term of office) on the payment of following remuneration and on the terms and conditions as set out in the explanatory statement

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annexed to the Notice convening this AGM, with liberty to Board to Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination & 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 Chamanlal Gupta:

- i. SALARY (BASIC) PER MONTH: Rs. 5,39,000/- – Rs. 40,425/- – Rs. 6,19,850/- (remuneration fixed for period of 3 Years and increased scale to be effective every subsequent 10<sup>th</sup> Day of May)
- 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, the appointee shall be entitled to house rent allowance @ 60% of salary.
  - B. Medical Reimbursement: Expenses incurred for the appointee and his family 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. Family is defined as spouse and two dependent children.
  - 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 the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee

**RESOLVED FURTHER THAT** Mr. Sudhir Chamanlal 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** pursuant to limit prescribed under section II of Part II of Schedule V and other applicable provisions, if any, of the Act, and subject to such approvals as may be necessary, the consent of the members be and is hereby accorded to pay remuneration, as mentioned above, as minimum remuneration to Mr. Sudhir Chamanlal Gupta, Executive (Whole Time) Director, for that financial year in which there is inadequacy or absence of profits during the period of three years from the effective date of his re-appointment.

**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."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Sections 196 & 197 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 (whose period of office shall be liable to retirement by rotation) with effect from 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020 (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 to the Notice convening this AGM, with liberty to Board to Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination & 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. 5,39,000/- – Rs. 40,425/- – Rs. 6,19,850/- (remuneration fixed for period of 3 Years and increased scale to be effective every subsequent 10<sup>th</sup> Day of May)
- 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, the appointee shall be entitled to house rent allowance @ 60% of salary.
  - B. Medical Reimbursement: Expenses incurred for the appointee and his family subject to ceiling of three months' salary in a year or nine months' salary over a period of three years.

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- C. Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination. Family is defined as spouse and two dependent children.
- 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 the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee

**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** pursuant to limit prescribed under section II of Part II of Schedule V and other applicable provisions, if any, of the Act, and subject to such approvals as may be necessary, the consent of the members be and is hereby accorded to pay remuneration, as mentioned above, as minimum remuneration to Mr. Sandeep Gupta, Executive (Whole Time) Director, for that financial year in which there is inadequacy or absence of profits during the period of three years from the effective date of his re-appointment.

**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."

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to provisions of Sections 197 read with 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, each Non Executive Director (means Directors other than the Managing Director or Whole-time Directors of the Company) be paid a commission at a rate not exceeding Rs. 5,00,000/- (Rupees Five Lac only) subject to deduction of applicable taxes, for a period of 5 Financial Years effective from Financial Year ending 31<sup>st</sup> March, 2014, which sum shall be exclusive of any fee payable to such Director(s) for attending the meetings of the Board of Directors or Committees 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** aggregate of the Commission so payable to the Directors shall not exceed one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors, 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."

14. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**"RESOLVED THAT** in supersession of resolutions passed under section 293 (1) (d) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on 23<sup>rd</sup> December, 2008 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (Act) and rules notified thereunder (including any statutory modification or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof, which the Board may have constituted or constitute hereafter to exercise powers conferred by this resolution) to borrow from time to time all such monies as it may deem appropriate for the purposes of business of the Company notwithstanding that the money to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which moneys may be borrowed by the Board of Directors (apart from the temporary loans obtained from the Company's bankers) shall not exceed Rs. 400 crores (Rupees Four Hundred Crores only) outstanding at any point of time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders the requisite agreements, documents, deeds and writings for borrowing and / or creating the aforesaid mortgages and / or charge (s) and do all such acts, deed and things as may be necessary to give effect to the above resolutions"

## NOTES:

- 1. The relative Explanatory Statement, pursuant to Section 102 (1) of the Companies Act, 2013 ("Act") in respect of the special business under Item Nos. 5 to 14 is annexed hereto.
- 2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING 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. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as a proxy on

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behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc., must be supported by an appropriate resolution/authority, as applicable

3. Corporate Members intending to send their authorized representative/(s) u/s 113 of the Act, are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
4. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
5. Details of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, shareholding in the Company as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are annexed to the Notice.
6. All the documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during office hours between 10.00 a.m. and 5.00 p.m. on all working days, for a period of twenty one days before the date of the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 16th September, 2014 till Saturday, 20<sup>th</sup> September, 2014, 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 owners as at the close of business hours on 15<sup>th</sup> September, 2014, 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, after giving effect to valid share transfers in physical form lodged with the Company, as at the close of business hours on 15<sup>th</sup> September, 2014.
9. Shareholders who have not received and/or not encashed the dividend warrant(s) in respect of dividend declared for the Financial Years 2010-11; 2011-12; 2012-13 are requested to apply for duplicate dividend warrant(s) by writing to the Company/Registrar.
10.
  - a) Members holding shares in Physical form are requested to notify the Registrar and Share Transfer Agent/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.
11.
  - a. Non-Resident Indian Shareholders are requested to inform the Registrar & Share Transfer Agent / Company/ respective Depository Participant:
  - b. Particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not already intimated.
  - c. Change, if any, in their Residential status.
12. 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.
13. As per the circular no. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013 the Securities and Exchange Board of India 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, quoting their folio number, following information to the Registrar & Share Transfer Agents/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.
14. In terms of Section 101 of the Act and Rule 18(2) and 18(3) of the Companies (Management and Administration) Rules, 2014 a notice is being sent through electronic mode, to such Members entitled to receive such email as per the records of the Company or as provided by the Depository.
15. In terms of Section 134 of the Act 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 format 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 Computershare Private Limited, Unit: Asian Hotels (West) Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 or Asian Hotels (West) Limited, 6th Floor, Aria Tower, 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, Auditors' Report etc will also be displayed on the website of the Company [www.asianhotelswest.com](http://www.asianhotelswest.com) and the other requirements of the aforesaid MCA circular will be duly complied with.

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16. The Ministry of Corporate Affairs (MCA) on March 27, 2012 notified the "Investor Education and Protection Fund" (IEPF) (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) and notified Amendment Rules, 2014, (IEPF Rules) which are applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2010, as on the date of the 6<sup>th</sup> AGM (AGM) held on August 30, 2013, on the website of the IEPF viz. www.iepf.gov.in and under "Investors Section" on the Website of the Company viz. www.asianhotelswest.com.
17. Members holding shares in a single name and physical form are advised to make nomination in respect of their shareholding in the Company.
18. Electronic copy of the Notice of the 7<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 7<sup>th</sup> AGM 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.
19. E-voting

## **PROCEDURE AND INSTRUCTIONS FOR E-VOTING**

The procedure and instructions for e-voting are as follows:

- i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal 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 Postal 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.

- iii) Please contact our toll free No. 1-800-34-54-001 for any further clarifications.
- iv) Members can cast their vote online from 16<sup>th</sup> September, 2014 @ 9.00 AM to 17<sup>th</sup> September, 2014 @ 5.00 PM
- v) After entering these details appropriately, click on "LOGIN".
- vi) 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 Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st 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.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- ix) 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.
- x) 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'
- xi) 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.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (Corporate /Fls/Flls/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 with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."

## **GENERAL INSTRUCTIONS**

- a. The e-voting period commences on 16<sup>th</sup> September, 2014 (9.00 A.M. IST) and ends on 17<sup>th</sup> September, 2014 (6.00 P.M. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized



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form, as on the cut-off date i.e. close of business hours on 15<sup>th</sup> September, 2014, may cast their votes electronically. The E-Voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- b. 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 15<sup>th</sup> September, 2014 and not casting their vote electronically, may only cast their vote at the AGM.
- c. Mr. Dhawal Kant Singh, practicing Company Secretary in Practice, (CP No. 7347 and (Membership No. A17697), has been appointed as the Scrutinizer to scrutinize the E-Voting process in a fair and transparent manner.
- d. 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 favor of or against, if any, forthwith to the Chairman of the Company.
- e) Members who do not have access to e-voting facility, may send the duly completed Ballot Form (MGT- 11) (enclosed with the Annual Report) to reach the Scrutinizer appointed by the board of Directors of the Company, Mr. Dhawal Kant Singh, Practicing Company Secretary (CP No. 7347 and Membership No. A17697) at the Registered Office of the Company not later than close of business hours on 15th September 2014.

Members may request for physical copy of the Ballot Form by sending an e-mail to [sn.raghu@asianhotelswest.com](mailto:sn.raghu@asianhotelswest.com) by mentioning their Folio / DP ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than close of business hours on 15th September 2014. Ballot Forms received after this date will be treated as invalid.

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. Please note the unsigned Ballot Form MGT 11 will be rejected. Scrutinizer's decision on the validity of the Ballot Form shall be final.

- f. 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 15<sup>th</sup> September 2014.
- g. 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 7<sup>th</sup> AGM of the Company on 20<sup>th</sup> September, 2014 and shall be communicated to Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

**20. 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.**

**By the order of the Board of Directors  
For Asian Hotels (West) Limited**

Date: 9<sup>th</sup> August, 2014  
Place: New Delhi

**Nikhil Sethi  
Company Secretary**

## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act)

The following Explanatory Statement sets out the material facts relating to the business under Item Nos. 5 to 14 of the accompanying Notice dated 9<sup>th</sup> August, 2014.

### ITEM NO. 5 to 7

Mr. Raj Kumar Bhargava; Dr. Lalit Bhasin & Mr. Surendra Singh Bhandari, are Non Executive Independent Directors of the Company w.e.f. 23rd December, 2008. Details regarding proposed appointment of Mr. Bhargava, Dr. Bhasin & Mr. Bhandari and their brief background are annexed to the Notice for the information of members. Their period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Bhargava; Dr. Bhasin & Mr. Bhandari being eligible have offered themselves for appointment as an Independent Director for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Bhargava; Dr. Bhasin & Mr. Bhandari fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management and the Company has also received declarations from Mr. Bhargava, Dr. Bhasin & Mr. Bhandari that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. The Company has received notices in writing from member's alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Bhargava, Dr. Bhasin & Mr. Bhandari for the office of Directors of the Company.

Mr. Raj Kumar Bhargava, is a IAS (Retd.) and M.A., during his tenure with the Government of India, he served as an Industry Secretary, Finance Secretary, Irrigation & Power Secretary and Chief Secretary in U.P. He has also served Government of India as Jt. Secretary Petroleum, Jt. Secretary Industries, Secretary Home and Secretary Urban Development. He has wide experience in industry, finance and infrastructure and presently is on the Board of several reputed Companies and has been Chairman of erstwhile Asian Hotels Limited and also is the Chairman of Audit Committee of the Company and on the Board of the Company since December 2008. Your Directors feel that it will be in the Company's interest to have his association with the Company.

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Dr. Lalit Bhasin is a lawyer of considerable standing and repute both within the country and in international arena. He holds several important posts viz. Hon'ble General Secretary of Bar Association of India, President of Indian Society for Afro Asian Studies, President Society of Indian Law firms, Executive President of Indian Law Foundation and is the Chairman of Chartered Institute of Arbitrators. Your Directors feel that it will be in the Company's interest to have his association with the Company. Dr. Bhasin is on the Board of the Company since December 2008.

Mr. Surendra Singh Bhandari is a Chartered Accountant with more than 40 years of experience and is a senior partner of M/s S. S. Bhandari and Company, Chartered Accounts and also on the Board of several reputed Companies. Your Directors feel that it will be in the Company's interest to have his association with the Company. Mr. Bhandari is on the Board of the Company since December 2008.

Copy of the letters for respective appointments of Mr. Raj Kumar Bhargava, Dr. Lalit Bhasin & Mr. Surendra Singh Bhandari, as Independent Directors setting out the terms and conditions would be available for inspection by members at the Registered Office of the Company between 10.00 AM to 5.00 P.M. on any working day of the Company upto the date of AGM.

The Board considers that their continued association would be immense benefit to the Company and it is desirable continue to avail their services as Independent Directors.

None of the other Directors / Key Managerial Personnel (KMP) of the Company / their relatives except Mr. Raj Kumar Bhargava; Dr. Lalit Bhasin & Mr. Surendra Singh Bhandari, are in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 to 7 of the Notice for approval by the shareholders.

## ITEM NO. 8

It is proposed to appoint Mr. Surinder Singh Kohli, as Non Executive Independent Director of the Company in terms of the provision of the Companies Act, 2013 read with the provisions of the Listing Agreement. Details regarding proposed appointment of Mr. Surinder Singh Kohli and his brief background is annexed to the Notice for the information of members. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Surinder Singh Kohli has offered himself for appointment as an Independent Director for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019.

The Board of Directors appointed Mr. Surinder Singh Kohli as an Additional Director of the Company effective from 9<sup>th</sup> August, 2014 pursuant to provisions of the Articles of Association of the Company and Section 161 of the Companies Act, 2013. Mr. Surinder Singh Kohli holds office upto the date of the ensuing AGM. In the opinion of the Board, Mr. Surinder Singh Kohli fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for the appointment as Independent Director of the Company and is independent of the management and the Company has also received declarations from Mr. Surinder Singh Kohli that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Surinder Singh Kohli for the office of Director of the Company.

Mr. Surinder Singh Kohli has a long experience as a banker having held position of CMD of Punjab National Bank and Punjab & Sind Bank and is currently also on the Board of several reputed Companies. Your Directors feel that it will be in the Company's interest to have his association with the Company.

Copy of the letter for appointment of Mr. Surinder Singh Kohli, as Independent Director setting out the terms and conditions would be available for inspection by members at the Registered Office of the Company between 10.00 AM to 5.00 P.M. on any working day of the Company upto the date of AGM.

The Board considers that his association would be immense benefit to the Company and it is desirable continue to avail his services as Independent Director.

None of the other Directors / Key Managerial Personnel (KMP) of the Company / their relatives except Mr. Surinder Singh Kohli, is in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 8 of the Notice for approval by the shareholders.

## ITEM NO. 9

The Articles of Association ("AoA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the New Companies Act, 2013 (Act).

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

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## Item No.10, 11 and 12

The Company had appointed Mr. Sushil Kumar Gupta as Managing Director of the Company effective from 1st November 2009 to 31<sup>st</sup> October, 2014 and Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta as Executive (Whole-time) Directors of the Company effective from 10<sup>th</sup> May, 2010 to 9<sup>th</sup> May, 2015 in the Third AGM held on 18<sup>th</sup> September, 2010. Thereafter Shareholders by passing Special Resolution through Postal Ballot u/s 192 A of the Companies Act, 1956 in February 2013 approved payment of remuneration as set out in the resolution as minimum remuneration to be paid to aforesaid Directors.

The Company now proposes to reappoint Mr. Sushil Kumar Gupta, as Managing Director of the Company for a period of five years effective 1<sup>st</sup> November, 2014 to 31<sup>st</sup> October, 2019 and Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta as Executive (Whole-time) Directors of the Company for a period of five years (whose period of office shall be liable to retirement by rotation) effective 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020. The said appointment and their remuneration (for a period of 3 years only) is also recommended by the Nomination & Remuneration Committee and the Board of Directors of the Company has approved the said remuneration at their meeting held on 9<sup>th</sup> August, 2014.

Your Company under the leadership of Mr. Sushil Kumar Gupta, Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta transformed from a Company having one Luxury Hotel Property at Mumbai to a Hotel group having around 1000 Rooms Group Company having presence in Delhi & Mumbai.

At present, the Hotel industry in India is adversely affected by several factors, such as excess supply resulting in higher competition bringing pressure on Occupancy as well as ARRs. Most of the Hotel Companies have reported downward profits so far during the year 2013-14. Although the Company incurred profit/(loss) before tax of approx (Rs. 237.24) Lacs during the Current Financial Year (vis-a-vis profit before tax of Rs. 1362.37 Lac for the previous Financial Year), it expects the revenues and the profits to improve during forthcoming years in such competitive market, with change in the new government policies being implemented.

It is expected that the profits of the company may be inadequate in the current & ensuing financial years, to pay the remuneration to aforesaid Directors in line with the approval of Shareholders. 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 payment of remuneration to Mr. Sushil Kumar Gupta, Managing Director; Mr. Sudhir Chamanlal 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 70 years, hence it is intended to seek approval of the members through special resolution to comply with the relevant provisions of the Act.

Justification for appointment of Mr. Sushil Kumar Gupta

Mr. Sushil Kumar Gupta is the Chairman & Managing Director of both the Company and Aria Hotels and Consultancy Services Pvt. Ltd., a subsidiary of Company, which has set up 523 Rooms JW Marriott Hotel at New Delhi International Airport in year 2013. He is actively involved in day to day decision making of the Company and holds various responsibilities to run the company.

The details regarding persons proposed to be appointed are attached to the notice for the information of the members and terms of the remunerations are provided in the respective Resolutions for their re-appointment. Further Mr. Sushil Kumar Gupta, Mr. Sudhir Chamanlal Gupta & 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 1<sup>st</sup> November, 2014 to 31<sup>st</sup> October, 2019.
- (ii) Mr. Sudhir Chamanlal Gupta, Executive (Whole-time) Director for the period from 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020.
- (iii) Mr. Sandeep Gupta, Executive (Whole-time) Director for the period from 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020.

None of the Directors / Key Managerial Personnel of the Company / their relatives, other than Mr. Sushil Kumar Gupta, Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta, are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10-12 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 Category Section II of Part II of Schedule V of the Companies Act, 2013 is annexed herewith which forms part of this Explanatory Statement.

## Statement Containing Required Information as Section II of Part II of Schedule V of the Companies Act, 2013 for Item Nos. 10, 11 and 12

### 1. **General Information:**

#### **Nature of Industry:**

Hotel Industry

Asian Hotels (West) Limited 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 the city's premier gateway hotel. 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 travellers visiting the city of Mumbai

# ASIAN HOTELS (WEST) LIMITED

## 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.

AHL was incorporated under the Companies Act, 1956 in Delhi on 13th November 1980 as a Public Company and obtained the Certificate of Commencement of Business on 14<sup>th</sup> January, 1981. The promoters of AHL were comprised of three major groups since the inception of AHL i.e. the Gupta Group (represented by Mr. Sushil Kumar Gupta), Jatia Group (represented by Mr. Shiv Jatia) and the Saraf Group (represented by Mr. Umesh Saraf). In due course of time, each of the three groups have acquired independent interests in the hospitality industry. The promoters had embarked upon restructuring AHL by way of a Scheme of Arrangement and Demerger.

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 Companies Act, 1956.

The Scheme is operative from the Appointed Date i.e., October 31, 2009. However it is effective from the date of filing of Form 42 of the Companies (Court) Rules, 1959 of the High Court Order in relation to the Scheme along with Form 21 with the Registrar of Companies, NCT of Delhi and Haryana, i.e., February 11, 2010

The Mumbai Undertaking, (which primarily comprise of Hotel Hyatt Regency Mumbai) was vested with the Company from the date of Appointed date of the Scheme.

## Financial performance based on given indicators:

Rs. in Lakhs

Particulars	Financial Year 2011-12	Financial Year 2012-13	Financial Year 2013-14
Gross Income	13,578.35	13092.30	13,010.62
Profit/(Loss) before Tax	1,940.04	1362.37	(237.24)
Profit / (Loss) after Tax	1,327.15	763.15	(502.74)
Dividend on equity (%)	40%	20%	15%

Foreign Investments or collaborators, if any:

The current foreign holding in the share capital of the Company as on 30th June, 2014 is as under:

Foreign Holding	Number of Shares	Percentage of Shares
Foreign Body Corporate (Promoter Category)	5336880	46.58%
Non Resident Indians (Promoter Category)	131500	1.15%
Foreign Institutional Investors	6719	0.06%
Foreign Body Corporate (Public Category)	18840	0.16%
Non Resident Indians (Public Category)	894494	7.81%
<b>Total</b>	<b>6388433</b>	<b>55.76%</b>

## Information about the appointees:

### a) Mr. Sushil Kumar Gupta

#### Background details:

Mr. Sushil Kumar Gupta, aged around 70 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 has been actively involved in the promotion of tourism in India while serving as 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.

He was awarded the Padma Shri by the President of India for Distinguished Service to the Tourism Industry and Social Work in 2007.

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. Sushil Kumar Gupta was appointed as Executive Director of erstwhile AHL during April, 1981 and elevated to Joint Managing Director during, 1986 and was appointed as Managing Director from April, 1991 till its demerger in the year 2010.

Mr. Gupta is also the Chairman & Managing 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 also has substantial

interests in other hotel Companies/properties and is the Chairman of Edenpark Hotels Pvt. Ltd., a Company owning The Clarion Collection – Qutab Hotel, New Delhi

**Past remuneration:**

During Financial Year 2013-14, Mr. Sushil Kumar Gupta has drawn an aggregate annual remuneration of Rs. 99.52 lacs in terms of the Central Government approval dated 6<sup>th</sup> September, 2013.

**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.

**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, through its its 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 is fixed for 3 years from date of their re-appointment as proposed are detailed in the resolution. The remuneration was recommended by the Nomination & Remuneration committee and approved by the Board of Directors of the Company at its meeting held on 9<sup>th</sup> August, 2014.

**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 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 or managerial personnel other than his remuneration in the capacity of a Managing Director and the shares held by him in the Company.

None of the Directors or Managerial Personnel of the Company, other than Mr. Sushil Kumar Gupta, Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta, are concerned or interested in this resolution.

**b) Mr. Sudhir Chamanlal Gupta**

**Background details:**

Mr. Sudhir Chamanlal Gupta is an Industrialist having rich business experience of over 28 years. He is also a Director of M/s 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 & control of the Board.

**Past remuneration:**

During Financial Year 2013-14, Mr. Sudhir Chamanlal Gupta has drawn an aggregate annual remuneration of Rs. 86.40 Lacs in terms of the Central Government approval dated 6<sup>th</sup> September, 2013.

**Recognition and Rewards**

Mr. Sudhir Chamanlal Gupta is a dynamic eminent leader in the field of hospitality and has significant role in development of Hyatt Regency Mumbai and has been recognized by the Board of the Company in successfully running of the Hotel in such highly competitive market and achieving the targets. He has been recognized for his philanthropic work in state of Jharkhand and is a active member of Bihar School of Yoga.

**Job profile and suitability:**

Mr. Sudhir Chamanlal 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 is fixed for 3 years from date of their re-appointment as proposed are detailed in the resolution. The remuneration was recommended by the Nomination & Remuneration committee and approved by the Board of Directors of the Company at its meeting held on 9<sup>th</sup> August, 2014.

**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 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 Chamanlal Gupta has no material pecuniary relationship directly or indirectly with the Company or managerial personnel other than his remuneration in the capacity of Executive (Whole Time) Director and the shares held by him in the Company.

None of the Directors or Managerial Personnel of the Company, other than Mr. Sudhir Chamanlal Gupta, Mr. Sushil Kumar Gupta and Mr. Sandeep Gupta, are concerned or interested in this resolution.

c) **Mr. Sandeep Gupta**

**Background details:**

Mr. Sandeep Gupta has graduated (B. Com (Hons.)) from SRCC, New Delhi and did MBA from Notre Dame University, USA, specializing in Finance & Marketing and PDP-Cornell University. He is also the Managing Director of Edenpark Hotels Pvt. Ltd. (Owners of Clarion Collection- New Delhi).

**Past remuneration:**

During Financial Year 2013-14, Mr. Sandeep Gupta has drawn an aggregate annual remuneration of Rs. 86.40 Lacs in terms of the Central Government approval dated 6<sup>th</sup> September, 2013.

**Recognition and Rewards**

Mr. Sandeep Gupta is a young 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 also been recognized by the Board of the Company of his efforts in successful opening of the Hotel J.W. Marriott in Delhi at Delhi Aerocity near the Indira Gandhi International Airport at New Delhi which has recently commenced operations. The project is the Company's first association with Marriott International and will be the fifth JW Marriott hotel in India.

**Job profile and suitability:**

Mr. Sandeep Gupta has been associated with Hotel Industry for a very long time. He was also associated with the erstwhile Asian hotels Limited in the capacity of Senior Vice President Development. He is also the Managing Director of Edenpark Hotels Pvt. Ltd., a Company owning and operating Clarion Collection – the Qutab Hotel, New Delhi. Mr. Sandeep Gupta has been instrumental in successful opening of the Hotel J.W. Marriott in Delhi, developed by its subsidiary M/s Aria Hotels & Consultancy Services Private Limited; achieving exception success in sub-licensing of commercial space in the Commercial Tower of Hotel J. W. Marriott and meeting funding requirements of the Company/Aria.

**Remuneration proposed:**

The terms of remuneration is fixed for 3 years from date of their re-appointment as proposed are detailed in the resolution. The remuneration was recommended by the Nomination & Remuneration committee and approved by the Board of Directors of the Company at its meeting held on 9<sup>th</sup> August, 2014.

**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 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 or managerial personnel other than his remuneration in the capacity of Executive (Whole Time) Director.

None of the Directors or Managerial Personnel of the Company, other than Mr. Sandeep Gupta, Mr. Sushil Kumar Gupta and Mr. Sudhir Chamanlal 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 adversely 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.
- iii) Poor Infrastructure Development: The brand image of India as a tourist destination may be adversely affected due to inadequate development of infrastructure in the form of poorly maintained road network.
- iv) Economic and Political Stability: Fiscal health of European Market affected the traffic inflow from Europe in the country, thus affecting the Hospitality growth.

**Steps taken or proposed to be taken for improvement**

- a) Widening geographical reach: The Company, through, its subsidiary, has increased its presence in Delhi, thereby widening geographical reach of the services of the Group.
- b) Capacity addition: With the opening of the Hotel J. W. Marriott at New Delhi, the room inventory under the Company ownership shall stands increased to approx. 1000 rooms keys.
- c) Cost reduction measures: The Company is undertaking measures for reduction of operating expenses at the Hotel Hyatt Regency, Mumbai.

## **Expected increase in productivity and profits in measurable terms**

The Hotel industry follows a cyclical trend and the Operating dynamics are expected to improve in the short / medium term. This should provide the Company an improvement in overall profitability. The above steps taken by the Company will help lessen the impact of weak trade cycles and provide stability to operating profitability. This is the first time when Hon'ble Finance Minister has focused on Tourism as one of the Government priorities and also announced the E-Visa for most of the countries and all these steps together with long awaited introduction of GST are likely to give boost to Hotel Industry.

## **Item No. 13**

Provisions of Section 197 of the Companies Act, 2013, provides for the payment of a commission to the Non-Whole-Time Directors of the Company, of an amount not exceeding 1% per annum of the net profits of the Company computed in accordance with the provisions of the Act.

In view of the valuable services being rendered by the said Directors to the Company, it is proposed to pay commission not exceeding 1% per annum of the net profits of the Company to the non-Whole-time Directors of the Company for a further period of five years commencing 1<sup>st</sup> April, 2014, subject to a limit of Rs. 5,00,000/- to each Director, subject to the approval of the Members of the Company in this regard. The amount will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

All the Directors of the Company except the Managing Director (Mr. Sushil Kumar Gupta) and the Executive Directors (Mr. Sudhir Chaman Lal Gupta and Mr. Sandeep Gupta) and KMP's and their relatives of the Company are deemed to be concerned or interested in the Resolution at Item No. 13 of the accompanying Notice, to the extent of the amount that may be received by them as commission.

The Board commends the Special Resolutions set out at Item No 13 of the Notice for approval by the shareholders.

## **Item No. 14**

The members of the Company at their Extra Ordinary General Meeting held on 23rd December, 2008 have approved by way of an Ordinary Resolution under Section 293(1) (d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 400 Crores (Rupees Four Hundred Crores)

Section 180(1)(c) of the Companies Act, 2013 effective from 12<sup>th</sup> September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves except with the consent of the members accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, to enable to the Board of Directors or any committee thereof or any person authorised by such Board or Committee to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 400 Crores (Rupees Four hundred crores).

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 14 of the Notice for approval by the shareholders.

**By order of the Board  
For Asian Hotels (West) Limited**

**Nikhil Sethi  
Company Secretary**

Date: 9<sup>th</sup> August, 2014  
Place: New Delhi

# ASIAN HOTELS (WEST) LIMITED

## Details of Directors seeking appointment / re-appointment at the forthcoming AGM of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Mr. Sunil Vasant Diwakar	Mr. Raj Kumar Bhargava	Dr. Lalit Bhasin	Mr. Surendra Singh Bhandari	Mr. Surender Singh Kohli	Mr. Sushil Kumar Gupta	Mr. Sudhir Chamanlal Gupta	Mr. Sandeep Gupta
<b>Date of Birth</b>	22 <sup>nd</sup> May, 1963	26 <sup>th</sup> October, 1935	19 <sup>th</sup> January, 1939	20 <sup>th</sup> January, 1948	10 <sup>th</sup> April, 1945	5 <sup>th</sup> January, 1944	3 <sup>rd</sup> April, 1959	13 <sup>th</sup> August, 1968
<b>Date of Appointment</b>	10 <sup>th</sup> August, 2010	23 <sup>rd</sup> December, 2008	23 <sup>rd</sup> December, 2008	23 <sup>rd</sup> December, 2008	30 <sup>th</sup> April, 2011	26 <sup>th</sup> April, 2007	26 <sup>th</sup> April, 2007	26 <sup>th</sup> April, 2007
<b>Expertise in specific functional areas</b>	Mr. Sunil Vasant Diwakar is a Managing Partner at ILFS Investment Managers Limited (IIML) and has over 25 years of experience in the Indian Private Equity industry. In addition he has also worked in the aeronautical engineering industry for 3.5 years. Over the years, he has gained multi sector exposure in Manufacturing, Life sciences, I.T., Media & Retail Transaction.	Mr. R. K. Bhargava is Repl. IAS Officer has held various portfolios during his tenure in Government of India and was former Secretary, Ministry of Home Affairs.	Mr. Lalit Bhasin is a Lawyer of considerable standing and reputed both within the country and in international arena. He holds several important posts viz. Honorary General Secretary of Bar Association of India, President of Indian Society for Afro Asian Studies, President Society of Indian Law firms, Executive President of Indian Law Foundation and is the Chairman of Chartered Institute of Arbitrators.	Mr. S. S. Bhandari is a Chartered Accountant with more than 39 years of rich experience and is a Senior Partner of M/s S.S.Bhandari and Company, Chartered Accountants	Mr. S.S Kohli has a long experience as a banker having held position of CMD of Punjab National Bank and Punjab & Sind Bank. Currently he is on the Board of Top public Ltd Companies.	Industrialist/Hotelier having rich business experience	Industrialist/Hotelier having rich business experience	Industrialist/Hotelier having rich business experience
<b>Qualifications</b>	Masters degree in Production Technology from IIT, Madras; Diploma in International Management from IMI, New Delhi.	B.A. (Hons); M.A. (History)	B.A. (Hons), LLB	F.C.A	B.Sc in Mechanical Engineering & Diploma in Industrial Finance	F.S.C., Certified Hotel Administrator	B.Com	MBA (Hotel Management)
<b>Details of shares held in the Company</b>	NIL	3826	NIL	NIL	NIL	308465	214290	NIL
<b>Chairman / Member of the Committees of other Companies on which he is a Director as on 31.03.2014</b>	<b>Audit Committee</b> a) JBF Industries Ltd. b) Prasad Corporation Ltd. c) RSB Transmissions (I) Ltd.	<b>Audit Committee</b> a) Noida Toll Bridge Company Ltd. b) Duncan's Limited c) H. B. Portfolio Ltd. d) Kajaria Ceramics Ltd.	<b>Audit Committee</b> a) Asian Hotels (North) Ltd. b) Bharat Hotels Ltd. c) Godfrey Philips India Ltd d) Leading Hotels India (Holdings) Ltd. e) United Breweries (Holdings) Ltd.	<b>Audit Committee</b> a) Vaibhav Global Ltd.	<b>Audit Committee</b> a) ACB (INDIA) Ltd b) IL&FS Financial Services Ltd c) Reliance Infrastructure Ltd d) BSES Rajdhani Power Ltd e) BSES Yamuna Power Ltd f) Hissar Steel Limited g) Aria Hotels And Consultancy Services Private Limited <b>Shareholders/Investor Grievance Committee</b> a) Reliance Infrastructure Ltd b) BSES Rajdhani Power Ltd c) BSES Yamuna Power Ltd <b>Remuneration &amp; Compensation Committee</b> a) Hissar Steel Limited	NIL	NIL	<b>Audit Committee</b> a) Aria Hotels And Consultancy Services Private Limited



# ASIAN HOTELS (WEST) LIMITED

Name of Director	Mr. Sunil Vasant Diwakar	Mr. Raj Kumar Bhargava	Dr. Lalit Bhasin	Mr. Surendra Singh Bhandari	Mr. Surender Singh Kohli	Mr. Sushil Kumar Gupta	Mr. Sudhir Chamarnial Gupta	Mr. Sandeep Gupta	
	<b>Remuneration &amp; Compensation Committee</b> a) Prasad Corporation Ltd. b) RSB Transmissions (I) Ltd.  <b>Shareholders/Investor Grievance Committee</b> a) JBF Industries Ltd.	<b>Share Transfer and Investor Grievance Committee</b> a) Noida Toll Bridge Company Ltd b) Duncan's Limited c) H. B. Portfolio Ltd.	<b>Share Transfer and Investor Grievance Committee</b> a) Asian Hotels (North) Ltd. b) Ansal Properties and Infrastructure Ltd. c) Godfrey Philips India Ltd.  <b>Remuneration &amp; Compensation Committee</b> a) Asian Hotels (North) Ltd. b) Ansal Properties and Infrastructure Ltd.	<b>Shareholders/Investor Grievance Committee</b> a) Vaibhav Global Ltd. b) Bank of Baroda	a) PTC India Financial Services Ltd b) ACB (INDIA) Ltd c) IDFC Ltd d) IL&FS Financial Services Ltd e) Reliance Infrastructure Ltd f) SICOM Ltd g) BSES Rajdhani Power Ltd h) BSES Yamuna Power Ltd i) Semac Limited j) Hissar Steel Limited k) S.V. Credit Line Pvt. Ltd l) Aria Hotels And Consultancy Services Private Limited	a) Aria International Ltd b) C.L.G. Hotels and Resorts Pvt. Ltd c) Aria Hotels And Consultancy Services Private Limited d) Edenpark Hotels Pvt. Ltd. e) Select Holiday Resorts Pvt .Ltd.	a) Aria Hotels And Consultancy Services Private Ltd	a) Aria International Ltd b) C.L.G. Hotels and Resorts Pvt. Ltd c) Aria Hotels And Consultancy Services Private Limited d) Edenpark Hotels Pvt. Ltd. e) Select Holiday Resorts Pvt .Ltd.	
<b>Directors / Chairman/ Managing Director</b>	a) Electrosteel Steels Ltd b) JBF Industries Ltd. c) JICS Logistics Ltd. d) Prasad Corporation Ltd. e) RSB Transmissions Ltd.	a) Kajaria Ceramics Ltd b) Duncan's Limited c) H.B Portfolio Limited d) Noida Toll Bridge Company Ltd e) JCL International Ltd. f) Vedt Vedic Heritage Pvt. Ltd.	a) Ansal Properties & Infrastructure Ltd. b) Apollo Zippers India Ltd. c) Asian Hotels (North) Limited d) Bharat Hotels Ltd. e) Godfrey Philips India Ltd f) Modicare Ltd. g) Omax Autos Ltd. h) Urban Infrastructure Trustees Ltd. i) United Breweries (Holdings) Ltd. j) Leading Hotels Ltd.	a ) Vaibhav Global Ltd. b) Bank of Baroda	a) PTC India Financial Services Ltd b) ACB (INDIA) Ltd c) IDFC Ltd d) IL&FS Financial Services Ltd e) Reliance Infrastructure Ltd f) SICOM Ltd g) BSES Rajdhani Power Ltd h) BSES Yamuna Power Ltd i) Semac Limited j) Hissar Steel Limited k) S.V. Credit Line Pvt. Ltd l) Aria Hotels And Consultancy Services Private Limited	a) Aria International Ltd b) C.L.G. Hotels and Resorts Pvt. Ltd c) Aria Hotels And Consultancy Services Private Limited d) Edenpark Hotels Pvt. Ltd. e) Select Holiday Resorts Pvt .Ltd.	a) Aria Hotels And Consultancy Services Private Ltd	a) Aria International Ltd b) C.L.G. Hotels and Resorts Pvt. Ltd c) Aria Hotels And Consultancy Services Private Limited d) Edenpark Hotels Pvt. Ltd.	

# ASIAN HOTELS (WEST) LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 7<sup>th</sup> Annual Report and Audited Accounts for the Financial Year ended on 31<sup>st</sup> March, 2014 (i.e. for the period commencing from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014).

## OBJECTS, OPERATIONS AND FINANCIAL RESULTS

A summarized position of the profits, taxation, dividend, pay-out and transfer to reserves for the year under review, on standalone basis, is given below:

(Rupees in Crores)

Particulars	2013-14	2012-13
Income	130.11	130.92
Expenditure	123.88	117.30
<b>Profit Before Tax</b>	<b>(2.37)</b>	13.62
Provision for Taxation		
– Current Tax	1.39	4.55
– Earlier year Tax	4.16	–
– Deferred Tax Charge (Credit)	8.4	1.44
<b>Net Profit</b>	<b>(5.02)</b>	7.63
Amount Brought Forward	102.57	108.82
<b>Profit Available for Appropriation</b>	<b>97.54</b>	116.45
Transfer to General Reserve	–	0.57
Proposed Dividend on Equity Shares	1.72	2.29
Corporate Dividend Tax	0.29	0.39
Transfer to Debenture Redemption Reserve	(4.50)	10.63
<b>Surplus Carried Forward</b>	<b>95.53</b>	102.57
<b>Earnings Per Share –Basic (Rupees)</b>	<b>(4.39)</b>	6.66
<b>Earnings Per Share – Diluted (Rupees)</b>	<b>(4.39)</b>	6.66

## CONSOLIDATED FINANCIAL STATEMENTS

In terms of the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India a general exemption has been granted to the holding companies from attaching with their balance sheet a copy of the balance sheet, profit and loss account etc. of each of its subsidiaries subject to fulfillment of certain conditions.

The Board of Directors of the Company has approved availing of the benefit under the aforesaid circular. Accordingly, the members have been circulated standalone Financial Statement of the Company for the Financial Year 2013-14 alongwith Consolidated Financial Statement for the Financial Year 2013-14.

## DIVIDEND

The Board has recommended for approval of shareholders, a dividend of 15% (amounting to Rs. 1.5/- per Share) (Previous period dividend @ 20%) for the Financial Year ended 31<sup>st</sup> March, 2014 to be paid on 1,14,58,303 Equity Shares of the Company aggregating a distribution of Rs.1.72 Crores (Previous period year Rs. 2.29 Crores).

## SUBSIDIARY COMPANIES

### A. ARIA HOTELS AND CONSULTANCY SERVICES PRIVATE LIMITED (ARIA)

ARIA has developed a 523 rooms 5-Star deluxe hotel under the brand J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, New Delhi, which commenced operations during October, 2013 after receiving all necessary statutory permissions and approvals including clearances from Bureau of Civil Aviation (BCAS) & Delhi Police. Delhi Airport Hospitality District is an upcoming prime location which enjoys the location benefits of not only being closer to the New Delhi International Airport but also will reap the benefit from having Central Business District (Gurgaon) of NCR on one side and Delhi on the other. In addition, the planned road infrastructure and metro connectivity also make the Hotel easily accessible.

### B. INOVOA HOTELS AND RESORTS LIMITED

During the period, Company transferred its entire shareholding in Inovia Hotels & Consultancy Services Limited (IHRL) to Fleur Hotels Private Limited at an enterprise values of Rs. 64 Crore on 4<sup>th</sup> July, 2013. IHRL owned The Clarion Hotel in Bangalore. Thus after the aforesaid transaction, IHRL has ceased to be subsidiary of the Company. However since IHRL was subsidiary of the Company and accordingly the Consolidated Financial Statements of the Company for the Financial Year 2013-14 includes Financial Statements of IHRL till the date of transfer of investments in IHRL by the Company.

## BORROWINGS

During the period under review Company has entered into arrangement with Kotak Mahindra Bank Limited & Kotak Mahindra Prime Limited (collective referred to as Kotak Group) for re-scheduling/ restructuring its entire banking facilities with Kotak Group and the total limit with Kotak Group is Rs 177.10 Crore including Rs. 35 Crore Loan from Kotak Mahindra Prime Limited.

Redemption of Non Convertible Debentures issued by the Company: on 25<sup>th</sup> June, 2010 the Company had issued 1000 Rated, Taxable, Secured, redeemable, Non - Convertible Debentures (NCDs) of the face value of Rs. 10 Lacs each, aggregating to Rs. 100 Crore, on private placement basis to Kotak Mahindra Bank Limited. The Company had appointed M/s IDBI Trusteeship Services Limited, Mumbai as

# ASIAN HOTELS (WEST) LIMITED

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the Debenture Trustee and M/s Karvy Computershare Pvt. Ltd. as Registrar and Transfer Agents in relation to the aforesaid NCDs and the said NCD's were listed on NSE. In terms of the issue of the aforesaid NCDs, during the Financial Year 2013-14 your Company redeemed NCDs of the face value of Rs. 18 Crores. Total outstanding NCDs as on 31<sup>st</sup> March, 2014 was Rs. 45.25 Crores. The company thereafter redeemed the balance NCD's in terms of re-scheduling/restructuring of its banking facilities with Kotak Mahindra Bank Limited on 25<sup>th</sup> June, 2014

Company has executed necessary Loan documents with Kotak Group and necessary security has been created for securing the aforesaid facilities.

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

## **INVESTMENTS / GUARANTEES**

### **INVESTMENTS**

During the period under review, Company has invested Rs. 72.40 Crore in its subsidiary, M/s Aria Hotels and Consultancy Services Private Limited (Aria) and Aria has allotted 2,41,33,333 Optionally Convertible Preference Shares (OCPS) having face value of Rs. 10 each at an issue premium of Rs. 20/- each (amounting to total price of Rs. 30 per OCPS) to the Company.

### **GUARANTEES**

The Company had in previous year granted Corporate Guarantees for import of Capital Goods under EPCG to custom authorities / DGFT for and on behalf of Aria Hotels and Consultancy Services Pvt. Ltd. (Aria), subsidiary of the Company aggregating to Rs. 28.35 Crores. No fresh corporate guarantee was issued by the Company during the period w.r.t to the same.

The above investments / Guarantees are within the powers of the Board of Directors of the Company.

### **FUTURE PROSPECTS**

The Company is focusing on retaining market share in highly competitive Hotel Market around Hyatt Regency, Mumbai and on recently operational 5-Star deluxe hotel under the brand J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, developed under its subsidiary M/s Aria Hotels and Consultancy Services Private Limited. Company is also look out for sites having growth potential in metropolitan cities and tourist destinations.

### **CHANGE IN REGISTERED OFFICE OF THE COMPANY**

The company has shifted its registered office from E- Basement, Clarion Collection – The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016 to 6<sup>th</sup> Floor, Aria Tower , J.W Marriott, Aerocity, Asset Area 4, Hospitality District, Near IGI Airport, New Delhi -110037 with effect from 20<sup>th</sup> February, 2014.

### **ADOPTION OF NEW ARTICLES OF ASSOCIATION OF THE COMPANY**

The Articles of Association ("AoA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act. The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders. The necessary resolution for adoption of new AoA is placed before the shareholders at 7<sup>th</sup> AGM.

### **AUDITORS & AUDITORS' REPORT**

M/s S. S. Kothari Mehta & Co., Chartered Accountants, the present auditors of the Company, shall retire at the ensuing AGM of the Company and being eligible offers themselves for re-appointment for maximum period of three years, in compliance with provisions of the Companies Act, 2013 read with the rules made thereunder.

They have certified that their appointment, if made, will be in accordance with the limits prescribed under Section 141 of the Companies Act, 2013. The Audit Committee of the Board of Directors of the Company has recommended their re-appointment for period of three years, subject to ratification at the subsequent AGM's and necessary resolution for their reappointment as statutory auditors is placed before the shareholders at 7<sup>th</sup> AGM.

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 217(3) of the Companies Act, 1956.

### **INTERNAL AUDIT**

M/s KSMN & Co., Chartered Accountants, the internal auditors of the Company have conducted periodic audit of all operations of the Company. 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 AUDITOR**

In Compliance with provisions of Section 204 of the Companies Act, 2013 read with the Rules, the Company has appointed M/s D.S. Associates (CP No- 7347 & Membership No- A17697) as Secretarial Auditor of the Company with effect from 28<sup>th</sup> May, 2014.

### **DIRECTORS**

During the period under review Mr. Srikrishan Chhibber, Independent Director of the Company has resigned from the Board of the Company w.e.f. 8th August, 2014 Mr. Chhibber has been Director of erstwhile Asian Hotels Limited since its inception in year 1980 and Company appreciates his immense contribution in the growth of the Company.

In accordance with the requirement of the Companies Act, 2013 and pursuant to the Articles of Association, Mr. Sunil Vasant Diwakar retire by rotation at the ensuing AGM and being eligible, offer themselves for reappointment.

# ASIAN HOTELS (WEST) LIMITED

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Mr. Raj Kumar Bhargava, Dr. Lalit Bhasin & Mr. Surendra Singh Bhandari, Independent Directors of the Company, whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Bhargava; Dr. Bhasin & Mr. Bhandari being eligible has offered themselves for appointment as an Independent Director for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019. In the opinion of the Board, Mr. Bhargava, Dr. Bhasin & Mr. Bhandari fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management and the Company has also received declarations from Mr. Bhargava, Dr. Bhasin & Mr. Bhandari that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. The Board of Directors of the Company has recommended their appointment for period of five years and necessary resolutions for their reappointment as Independent Directors are placed before the shareholders at 7<sup>th</sup> AGM.

Mr. Surinder Singh Kohli was appointed as an Additional Director of the Company effective from 9th August, 2014 pursuant to provisions of the Articles of Association of the Company and Section 161 of the Companies Act, 2013. Mr. Surinder Singh Kohli holds office upto the date of the ensuing AGM. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement Mr. Kohli being eligible has offered himself for appointment as an Independent Director for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019. In the opinion of the Board, Mr. Kohli fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for the appointment as Independent Director of the Company and is independent of the management and the Company has also received declaration from Mr. Kohli that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. The Board of Directors of the Company has recommended his appointment for period of five years and necessary resolution for his reappointment as Independent Director is placed before the shareholders at 7<sup>th</sup> AGM.

The Company proposes to reappoint Mr. Sushil Kumar Gupta, as Managing Director of the Company for a period of five years effective 1<sup>st</sup> November, 2014 to 31<sup>st</sup> October, 2019 and Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta as Executive (Whole-time) Directors of the Company for a period of five years (whose period of office shall be liable to retirement by rotation) effective from 10<sup>th</sup> May, 2015 to 9<sup>th</sup> May, 2020. The said appointment and their remuneration for a period of 3 years, in compliance with provisions of Section 196, 197, 203 and Schedule V and other provisions of the Act is also approved by the Remuneration and Nomination Committee and the Board of Directors of the Company at their meeting held on 9<sup>th</sup> August, 2014 and necessary resolution for their reappointment are placed before the shareholders at 7<sup>th</sup> AGM.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

During the year, your Directors have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Mr. Sudhir Chaman Lal Gupta, Executive (Wholetime) Director of the Company, as the Chairman and Mr. Raj Kumar Bhargava & Mr. Surendra Singh Bhandari, Independent Directors of the Company, as other members. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

## **NOMINATION AND REMUNERATION COMMITTEE**

During the period under review, the Company re-constituted its existing remuneration committee as Nomination and Remuneration Committee of the Board of Directors of the Company pursuant to provisions of the Companies Act, 2013, which comprises of Dr. Lalit Bhasin as its Chairman, Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari as Co-members.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

During the period under review, the Company re-constituted its existing Investor Grievance Committee as Stakeholders Relationship Committee of the Board of Directors of the Company pursuant to provisions of the Companies Act, 2013.

## **DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- that in the preparation of annual accounts for the year ended 31st March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures ;
- that the Directors have 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 period under review and of the profit / loss of the Company for that period ;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts on a going concern basis;

The Audit Committee of the Board of Directors reviewed the financial statements, prepared in accordance with revised Schedule VI of the Companies Act, 1956 for the year under review at its meeting held on 28th May, 2014 and recommended the same for the approval of the Board of Directors.

## **INFORMATION REGARDING CONSERVATION OF ENERGY ETC.**

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to the conservation of energy, technology absorption, foreign exchange earnings and outgo are to the extent possible, in the opinion of your Directors, given in Annexure 'A' annexed hereto.

## **PERSONNEL**

Your Directors wish to appreciate the dedicated efforts and hard work of personnel at all levels that has made the existing results possible.

# ASIAN HOTELS (WEST) LIMITED

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Information as per Section 217(2A) of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of this Report, is given in Annexure 'B'.

## **CORPORATE GOVERNANCE**

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance for the Financial Year 2013-14 together with Practising Company Secretary Certificate on Corporate Governance is appended to the Annual Report as Annexure 'C' and 'D' respectively.

## **FIXED DEPOSITS**

Your Company has not accepted any fixed deposits. Hence, there is no outstanding amount as on the Balance Sheet date.

## **INTRODUCTION AND APPLICABILITY OF NEW COMPANIES ACT, 2013**

The Ministry of Corporate Affairs vide notification dated 26<sup>th</sup> March, 2014 has notified the commencement of New Companies Act, 2013 w.e.f. 1<sup>st</sup> April, 2014. In pursuance of General Circular No. 08/2014 issued by Ministry of Company Affairs, the Present Directors' Report is prepared in accordance with the provisions of the Companies Act, 1956 and thus new provisions of the Companies Act, 2013 will be complied with in the next Directors' Report. Your Directors are in process of complying with all the provisions of the Companies Act, 2013.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is given below:

### **Industry Structure, Development & Outlook**

For the last few years the Indian tourism sector has been one of the largest service industries in the country in terms of its contribution to the Gross Domestic Product (GDP) and Foreign Exchange Earnings, as well as for providing employment to millions. Despite negative signals from global economy, the number of foreign tourist arrival in the country in 2013 showed an increase of about 4.1% over 2012 and hospitality sector have become the most vibrant tertiary's and has a strong hold on the economy. The Ministry of Tourism in consultation with State Government/ UT administration had proposed to set up Tourist Police at prominent tourist spots. Clean India Campaign has been initiated by the Ministry of Tourism with the objective to increase tourist arrivals to the country and to improve quality of services and provide a hygienic environment in and around tourist destinations across the country. The World Travel and Tourism Council (WTTC) named India as one of the fastest growing tourism industries for the next 10 to 15 years.

Tourism in India is witnessing widespread growth on the back of increasing inbound tourism by the burgeoning Indian middle class, rising inflow of foreign tourists and successful government campaigns for promoting 'Incredible India'. Infrastructure development holds the key to India's sustained growth in the Tourism sector. India Tourism launched two new campaigns: an International Campaign called 'Find What You Seek' and a Domestic Campaign called 'Go Beyond' and there has been a growth of 1.70% in the January-March 2014 period in the number of tourists availing of "Visa on Arrival" scheme as compared to the same period in 2013.

Hotels are an important component of the tourism sector. They contribute in the overall tourism experience through the standards of facilities and services offered by them. The constant transformation has made the Indian hotel industry more functional and practical and has gained a level of acceptance world over. The standards of facilities and services offered have evolved over the last decade towards the extensive use of technology, environment friendly services, pricing, market segmentation, regional preferences, etc. The Indian hotel industry has seen a significant growth in room inventory across categories from upscale luxury to limited services and boutique & budget hotels. The occupancy has seen continued gains both from the domestic and the international traveler in both the business and leisure segment. However, because of increase in inventory as well as current economic position, there is pressure on room rates. With the continued growth in India's GDP, improvement in the per capita income and increased aspirational spending, the Indian hospitality sector is expected to grow much faster than most countries around the world.

This is the first time when Hon'ble Finance Minister has focused on Tourism as one of the government priorities and also announced the E-Visa for most of the countries and all these steps together with long awaited introduction of GST are likely to give boost to Hotel Industry.

### **Opportunities, Threats, Risks and Concerns**

Hotels form one of the most important support service that affect the arrival of tourist to a country. The strengths of the industry includes that India is one big package of culture and legend that never fails to captivate the imagination of the visitor. It provides vast natural and cultural diversity, the manpower costs in the Indian hotel industry is reasonable in the world. The peak season in the country is from September to March. Over the long term, the hotel industry has growth potential. When it comes to diverse topography, India is one of the best destination.

Tourists also have second thoughts about visiting India because of the political turbulence and negative publicity here. Growth in hotel supply in recent times has outstripped demand in a number of Indian cities. escalating land prices, increasing energy costs, depleting water levels and a scarcity of trained manpower are challenges that will need to be addressed and overcome. With increasing affluence in India, the composition of the market is undergoing a change. Domestic travel and tourism is experiencing rapid growth as is domestic corporate travel. These segments will require due attention whilst we continue to focus on traditional markets. Source markets are changing with demand from the SAARC nations, China, Japan and the Middle east growing steadily. The tourism Ministry will need to orient itself to this development.

### **Review of Operational and Financial Performance**

The Company has achieved an aggregate turnover of Rs. 130.11 Crores (Previous period Rs. 130.92 Crores) for the financial year ended on 31st March, 2014. Profit/(Loss) after taxes for the year under review was Rs. (5.02) Crores (Previous period Rs. 7.63 Crores).

### **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.

# ASIAN HOTELS (WEST) LIMITED

## Internal Control Systems 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.

## Human Resources and Industrial Relations

Smooth Industrial Relations and effective Human Resource Management are the key factors contributing towards success in the industry. 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 31st March, 2014 was 628.

## ACKNOWLEDGEMENT

Your Directors would like to express its 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  
Dated : 9<sup>th</sup> August, 2014

Sushil Kumar Gupta  
Chairman and Managing Director

## ANNEXURE – A FORMING PART OF THE DIRECTORS' REPORT

### PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

#### A) CONSERVATION OF ENERGY

S. No.	Energy conservation measure taken during the year 2013-14	Impact (savings in Lac Rs. per annum)
1	Water aerator installation on guest area and public area water taps	6
2	Installation of Heat Pump	71
	Total savings	77

S. No.	Additional Investment – proposal for the year 2014-15	Impact (savings in Lac Rs. per annum)
1.	Replacement of Lobby ( AR 111) and back area tube lights(28 W ) with LED	15

#### B) TECHNOLOGY ABSORPTION

In the Opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable as hotels form part of the service industry and the Company does not have any significant manufacturing operations.

#### C) FOREIGN EXCHANGE EARNINGS

- The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- Foreign exchange earnings (on receipt basis) have shown a downfall considering the global meltdown and the recession in the economies across the world. Current period earnings amounted to Rs. 69.36 Crores (Rs. 64.53 Crores in previous period) against which the outgo in foreign exchange was equivalent to Rs.15.44 Crores (Rs. 16.13 Crores in previous period).
- Details of foreign exchange earnings and outgo are given at Note 44 to the Balance sheet and Profit and Loss Account of the Company for the financial year ended on 31<sup>st</sup> March, 2014.

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## ANNEXURE B FORMING PART OF THE DIRECTORS' REPORT

### PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956 (FINANCIAL YEAR 2013-14)

	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (IN RS.)	QUALIFICATION	EXPER- ENCE (YRS)	DATE OF COMMENC- MENT OF EMPLOY- MENT	LAST EMPLOYMENT HELD / DESIGNATION / PERIOD
<b>EMPLOYED THROUGHOUT THE YEAR</b>								
1.	Sushil Kumar Gupta	70	Chairman & Managing Director	99,52,000	F.S.C., CHA	51	10.04.1981	Industrialist
2.	Sudhir Chamanlal Gupta	55	Executive (Whole-time) Director	86,40,000	B.Com	31	10.05.2010	Industrialist
3.	Sandeep Gupta	45	Executive (Whole-time) Director	86,40,000	B.Com(Hons) SRCC, New Delhi, MBA from Notre Dame University, USA., Specializing in Finance & Marketing, PDP – Cornell University	23	10.05.2010	Hotelier

	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (IN RS.)	QUALIFICATION	EXPER- ENCE (YRS)	DATE OF COMMENC- MENT OF EMPLOY- MENT	LAST EMPLOYMENT HELD / DESIGNATION / PERIOD
<b>EMPLOYED THROUGHOUT THE YEAR</b>								
1.	Aseem Kapoor*	45	General Manager, Hyatt Regency Mumbai	62,66,847	Diploma in Hotel Management, IHM Mumbai	24	01.06.2008	Resident Manager, Park Hyatt Dubai (3 Yrs)
2.	Eric Weber**	46	General Manager, Hyatt Regency Mumbai	1,24,53,302	Hotel Management Graduate	21	22.05.2013	General Manager, Hyatt Regency Paris (2 yrs 6 months.)

\*Mr. Aseem Kapoor ceased to be General Manager, Hyatt Regency Mumbai w.e.f. 25<sup>th</sup> May, 2013.

\*\* Mr. Eric Weber Joined as General Manager, Hyatt Regency Mumbai w.e.f. 22<sup>nd</sup> May, 2013.

- Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to pension fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax Rules, Performance incentive, Ex-gratia payments and Commission to Chairman & Managing Director. Performance incentives and Ex-gratia payments to the executives and commission to Chairman & Managing Director and Executive (Whole-time) Directors are included on payment basis.
- All the appointments except that of Mr. Aseem Kapoor and Mr Eric Weber are on contractual basis.
- Mr. Sushil Kumar Gupta, Chairman and Managing Director of the Company, is brother of Mr. Sudhir Chaman Lal Gupta Executive (Whole-time) Director of the Company and is father of Mr. Sandeep Gupta, Executive (Whole time) Director of the Company. Mr. Aseem Kapoor and Mr Eric Weber are not related to any of Directors of the Company.

## ANNEXURE "C" FORMING PART OF DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### Company's Philosophy on Corporate Governance

The Company is totally committed to providing the shareholders and other stakeholders with an insight into the working of the Company and acknowledges the importance of practicing good Corporate Governance while conducting its business, for creation of wealth for shareholders.

The status of compliance with Clause 49 of the Standard Listing Agreement for the Financial Year 2013-14 is enumerated herein below:

#### Board of Directors

As on the date of this report, the Board of Directors of the Company comprises of Eight Directors, out of which four are Independent and Non-Executive Directors and one Non-Executive Director and remaining three are Whole-time Directors.

Mr. Sushil Kumar Gupta is a Chairman and Managing Director of the Company. In terms of the requirements of Clause 49 of the Listing Agreement, at least fifty percent of the Board comprises of Independent Non-Executive Directors.

The Company is following prescribed Board procedures and provided detailed notes in advance on all the businesses proposed to be dealt with at the Board Meetings. The Board meets at least once every quarter. During the period under review, 5 meetings of the Board of Directors took place. These meetings were held on 28<sup>th</sup> May, 2013; 23<sup>rd</sup> July, 2013; 8<sup>th</sup> August, 2013; 13<sup>th</sup> November, 2013; 14<sup>th</sup> February, 2014.

# ASIAN HOTELS (WEST) LIMITED

Pursuant to the provisions of Clause 49, the composition of the Board, details of Directorships held, committee membership / chairmanship held, and attendance of the Directors at the Board meetings and at the last AGM is given below:

S. No.	Name of the Director	Category	No. of Board Meetings Attended	Last AGM attended	No. of Other Directorships held in Private Companies	No. of Other Directorships held in Public Companies	No. of Committee Memberships in other Public Companies	No. of Chairmanships in such Committees
1.	Mr. Sushil Kumar Gupta	Chairman & Managing Director	5	Yes	3	2	–	–
2.	Mr. Raj Kumar Bhargava	Independent Non-Executive	5	Yes	0	6	7	4
3.	Mr. Srikrishan Chhibber *	Independent Non-Executive	4	Yes	1	3	1	–
4.	Mr. Lalit Bhasin	Independent Non-Executive	5	Yes	0	10	10	3
5.	Mr. Surendra Singh Bhandari	Independent Non-Executive	4	No	–	2	3	2
6.	Mr. Sudhir Chamanlal Gupta	Executive (Whole - time) Director	4	Yes	–	1	–	–
7.	Mr. Sandeep Gupta	Executive (Whole - time) Director	4	Yes	2	2	1	–
8.	Mr. Sunil Vasant Diwakar	Non-Executive	–	No	–	5	6	–
9.	Mr. Rajesh Adhikary**	Non-Executive	5	No	–	5	1	–

\* Mr. Srikrishan Chhibber has resigned on 8<sup>th</sup> August, 2014, as Independent Director of the Company.

\*\* Mr. Rajesh Adhikary ceases to be Alternate Director Alternate Director to Mr. Sunil Vasant Diwakar, Director of the Company w.e.f. 24<sup>th</sup> April, 2014.

## Committee of Directors

The following Committees of the Board of Directors of the Company have been constituted: -

### a) Audit Committee:

The Audit Committee of the Board of Directors of the Company comprise of three Independent & Non – Executive Directors, namely Mr. Raj Kumar Bhargava, Dr. Lalit Bhasin and Mr. Surendra Singh Bhandari.

The Committee functions under the chairmanship of Mr. Raj Kumar Bhargava, a Retired IAS Officer, who has held various portfolios during his tenure in the Central Government and has adequate knowledge of the finance and accounts function.

The terms of reference and the powers of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 (the Act).

The Chairman and Managing Director is the permanent invitee to the Audit Committee meeting. The Company Secretary acts as Secretary to the Committee.

During the year under review, four meetings of the Audit Committee were held on 28<sup>th</sup> May, 2013; 8<sup>th</sup> August, 2013; 13<sup>th</sup> November, 2013; 14<sup>th</sup> February, 2014, attendance details of which are as under:

Name of the member	Category	No. of Audit Committee meetings attended
Mr. Raj Kumar Bhargava,	Independent, Non-Executive	4
Dr. Lalit Bhasin	Independent, Non-Executive	4
Mr. Surendra Singh Bhandari	Independent, Non-Executive	4

### b) Share Transfer & Shareholders Grievance Committee:

The Share Transfer & Shareholders Grievance Committee of the Board of Directors comprised of three Independent Non-Executive Directors, namely, Mr. Srikrishan Chhibber, Mr. Raj Kumar Bhargava and Dr. Lalit Bhasin. The Company Secretary is the Compliance Officer of the Company and acts as Secretary to the Committee.

The committee functioned under the Chairmanship of Mr. Srikrishan Chhibber. Pursuant to provisions of Section 178 (5) of the Companies Act, 2013, the Investor Grievance Committee is also considered as Stakeholders Relationship Committee.

Besides monitoring and approving bulk transfers, transmissions, splits and consolidation of shares and issuance of duplicate shares, it also pursues status of redressal of shareholders' grievances.

The Company received 75 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.



# ASIAN HOTELS (WEST) LIMITED

During the year under review, four meetings of the Share Transfer & Shareholders Grievance Committee were held on 28<sup>th</sup> May, 2013; 8<sup>th</sup> August, 2013; 13<sup>th</sup> November, 2013; 14<sup>th</sup> February, 2014 attendance details of which are as under:

Name of the member	Category	No. of Share Transfer Committee meetings attended
Mr. Srikrishan Chhibber	Independent, Non-Executive	3
Mr. Raj Kumar Bhargava	Independent, Non-Executive	4
Dr. Lalit Bhasin	Independent, Non-Executive	4

## c) Nomination And Remuneration Committee

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

The terms of reference of the Committee is to determine, on behalf of the Board, the Company's policy governing remuneration payable to Whole-Time Directors, and recommend their remuneration subject to requisite approvals. On the recommendations of the Committee, the Board, subject to requisite approvals, decides the remuneration of the Whole-Time Directors. The Remuneration package of the Whole-Time Directors comprises of a fixed component viz. salary, perquisites and allowances and a variable component viz. commission on profits.

The Committee functions under the chairmanship of Dr. Lalit Bhasin a senior Lawyer of repute with over 52 years of experience in Legal matters. Pursuant to provisions of Section 178 of the Companies Act, 2013, the existing Remuneration Committee formed under the provisions of the Listing Agreement is also considered & re-constituted as Nomination & Remuneration Committee of the Board of Directors of the Company.

During the year under review, no meeting of the Nomination and Remuneration Committee took place.

Pursuant to the approval of the shareholder at the Third AGM of the Company, the Non-Executive Directors are collectively entitled to commission at the rate of 1% of the net profits of the Company (computed under Section 349 and 350 of the erstwhile Companies Act 1956.) subject to a maximum of Rs. 5,00,000/- (Rupees Five Lacs only) per year per Non-Executive Director. In addition to the above, Non-Executive Directors are entitled to sitting fees for the meetings of the Board and the Committees thereof attended by them. No stock options were offered to the Directors or Executives of the Company.

Details of remuneration paid / payable to the Directors for the Financial Year under review are given below: (Amount in Rs.)

Name of the Directors	Salary including Perquisites	Commission (payable)	Sitting Fees	Total
Mr. Sushil Kumar Gupta*	99,52,000	–	–	99,52,000
Mr. Srikrishan Chhibber	–	2,01,480	84,000	2,85,480
Mr. Raj Kumar Bhargava	–	2,01,480	1,56,000	3,57,480
Dr. Lalit Bhasin	–	2,01,480	1,56,000	3,57,480
Mr. Surendra Singh Bhandari	–	2,01,480	96,000	2,97,480
Mr. Sunil Vasant Diwakar	–	–	–	–
Mr. Rajesh Adhikary§	–	2,01,480	60,000	2,61,480
Mr. Sudhir Chamanlal Gupta*	86,40,000	–	–	86,40,000
Mr. Sandeep Gupta*	86,40,000	–	–	86,40,000
<b>TOTAL</b>	<b>2,72,32,000</b>	<b>10,07,400</b>	<b>5,52,000</b>	<b>2,87,91,400</b>

\*Mr. Sushil Kumar Gupta was appointed as Chairman and Managing Director for a term of five years ending 31<sup>st</sup> October, 2014, Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta were appointed as Executive (Whole-time) Director for a term of five years ending 9<sup>th</sup> May, 2015.

\* During the financial year, in terms of requirement of Clause 1(C) of Section II of Part II of Schedule XIII to the Companies Act, 1956 the Company has obtained shareholders approval, by way of Postal Ballot, for payment of remuneration to the Managerial Personnel in the absence of adequate profits. Subsequent thereto, the Company has made application(s) with the Central Government for its approval, which is approved by such government on 6<sup>th</sup> September, 2013. Subsequent thereto, the application made by the Company to Central Government for its approval has had been approved on 6<sup>th</sup> September, 2013 by such government.

§ Alternate Director to Mr. Sunil Vasant Diwakar, Director of the Company.

Details of shareholdings of the Non-Executive Directors of the Company as on 31<sup>st</sup> March, 2014 are as under:

Name of Director	Category	Shareholding as on 31 <sup>st</sup> March, 2014	% age of Total Shareholding
Mr. Raj Kumar Bhargava	Independent Non-Executive	3826	0.03
Mr. Srikrishan Chhibber	Independent Non-Executive	70	0.00
Dr. Lalit Bhasin	Independent Non-Executive	NIL	NIL
Mr. Surendra Singh Bhandari	Independent Non-Executive	NIL	NIL
Mr. Sunil Vasant Diwakar	Non-Executive	NIL	NIL
Mr. Rajesh Adhikary (Alternate Director to Mr. Sunil Vasant Diwakar)	Non-Executive	NIL	NIL

# ASIAN HOTELS (WEST) LIMITED

## General Body Meetings: -

The details of the Last Three AGMs held by the Company are given below:

Financial Year	Venue	Date	Time
2010-11	Airforce Auditorium, Subroto Park, New Delhi 110010	02.08.2011	3.00 P.M
2011-12	Airforce Auditorium, Subroto Park, New Delhi 110010	12.09.2012	3.00 P.M
2012-13	Airforce Auditorium, Subroto Park, New Delhi 110010	30.08.2013	3.00 P.M

During the previous financial year, no resolution was passed through postal ballot.

## Resolutions proposed through Postal Ballot:

Approval of the Members has been sought vide Postal Ballot Notice dated 23rd August, 2014, under Section 110 of the Act, pertaining to:-

- Special Resolution No. 1:** Consent of the Company under Section 186 to make any loans or investments and to give any guarantees or to provide security.
- Special Resolution No. 2:** Consent of the Company under Section 180 (1) (a) of the Act to the Board of Directors to create charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

An E-voting facility was also made available to the Members. The Board of Directors of the Company, appointed Mr. Dhawal Kant Singh, Practising Company Secretary, as the Scrutinizer for conducting the postal ballot voting process. The results of the Postal Ballot via postal ballot forms and e-voting facility will be announced on October 01, 2014 at the Registered Office of the Company as per the Scrutinizer's Report.

## Code of Conduct

The Board of Directors of the Company has laid down a Code of Conduct applicable to all Board Members and Senior Management Personnel and they have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Chairman and Managing Director of the Company is annexed to this report.

## Material Disclosures

### • Related Party Transaction

In compliance with the Accounting Standard – 18, transactions pertaining to related parties are given under Note 38 to the Balance Sheet as at 31<sup>st</sup> March, 2014, and the Profit & Loss Account for the period ended on that date.

### • Legal Compliances

There has been no significant non-compliance by the Company since its incorporation. The Company has an elaborate reporting system on compliances of all major laws applicable to the Company.

### • Risk Assessment and Minimisation Procedures

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

### • Conflict of Interest

Based on the disclosures received by the Board from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or commercial transactions wherein they had personal interest that could have a potential conflict with the interest of the Company.

## Whistle Blower/Vigil Mechanism

Your Company has adopted Whistle Blower/Vigil Mechanism under Section 179 (9) & (10) of Companies Act, 2013 for adequate safeguards against victimization of employees and directors and to provide direct access to the Chairman of the Audit Committee and Mr. Rakesh Kumar Aggarwal, CFO has been appointed as Whistle & Ethics Officer by the Company. Further whistle blower policy is available on the website of the Company [www.asianhotelswest.com](http://www.asianhotelswest.com)

## CEO/CFO Certification

Mr. Rakesh Kumar Aggarwal, is appointed as CFO of the Company pursuant to provisions of the Companies Act, 2013 on 28<sup>th</sup> May, 2014

A certificate, in accordance with the requirements of Clause 49 V of the Listing Agreement, duly signed by the CFO in respect of the year under review was placed before the Board and taken on record by it.

## Means of Communication

The quarterly financial results are generally published in the Business Standard/ Financial Express (English) and Business Standard/ 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 and other official news releases are also uploaded on the Company's official website [www.asianhotelswest.com](http://www.asianhotelswest.com)

• Half-Yearly report sent to each shareholder:	:	No. The financial results are displayed on the Company's website.
• Publication of Quarterly results Which newspaper normally published in	:	Yes. : 1) Financial Express (English) : 2) Jansatta (Hindi)
• Any website where displayed	:	As mentioned above, the financial results and other statutory reports are uploaded on the Company's website.
• Whether it also displays official news Releases	:	Yes

# ASIAN HOTELS (WEST) LIMITED

	Presentation made to the institutional investors or the analysts	:	Shall be displayed as and when it happens
•	Management Discussion and Analysis is part of Annual Report.	:	Yes, it is a part of the Directors' Report.

## Shareholder Information

### AGM

Day, Date & Time : Saturday, 20<sup>th</sup> September, 2014 at 3.00 p.m.

Venue : Air Force Auditorium, Subroto Park, New Delhi – 110 010

### Financial Calendar

The financial calendar for the Financial Year 2014-15 is proposed as under:

Financial Reporting for the quarter ending 30 <sup>th</sup> June, 2014	2 <sup>nd</sup> week of August, 2014
Financial Reporting for the half year ending 30 <sup>th</sup> September, 2014	2 <sup>nd</sup> week of November, 2014
Financial Reporting for the third quarter ending 31 <sup>st</sup> December, 2014	2 <sup>nd</sup> week of February, 2015
Financial Reporting for the year ending 31 <sup>st</sup> March, 2015	End May, 2015

<b>Book Closure</b>	Tuesday, 16 <sup>th</sup> September, 2014 till Saturday, 20 <sup>th</sup> September, 2014, inclusive of both days
---------------------	---

Dividend Payment Date : 2<sup>nd</sup> – 3<sup>rd</sup> week of October, 2014.

Listing on Stock Exchanges : Bombay Stock Exchange Ltd,  
National Stock Exchange of India Ltd, and

The Company has paid Annual Listing Fees to the Stock Exchanges.

Stock Code : BSE - 533221, NSE - AHLWEST

### Stock Market Data

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, 2013 to 31<sup>st</sup> March, 2014 are given below:

Month	NSE			BSE		
	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.)
April, 2013	114.95	96.00	9,929	114.85	90.00	6,557
May, 2013	114.80	98.00	24,863	114.90	95.05	26,524
June, 2013	112.00	95.20	13,874	114.00	91.05	5,917
July, 2013	108.95	95.15	5,311	114.00	85.55	2,773
August, 2013	105.00	85.00	5,311	107.00	89.60	1,995
September, 2013	103.60	85.00	3,092	109.00	86.00	3,525
October, 2013	110.00	88.00	8,546	105.00	90.00	8,798
November, 2013	105.00	94.00	4,542	104.00	93.05	3,359
December, 2013	109.00	94.20	6,111	102.00	91.00	4,142
January, 2014	112.00	96.15	36,479	110.00	95.25	3,242
February, 2014	102.95	92.65	5,264	103.50	91.55	2,810
March, 2014	104.00	91.00	44,484	103.00	87.10	10,580

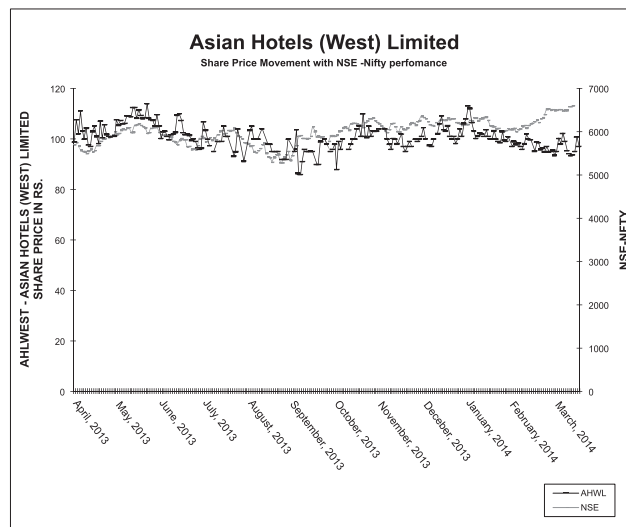
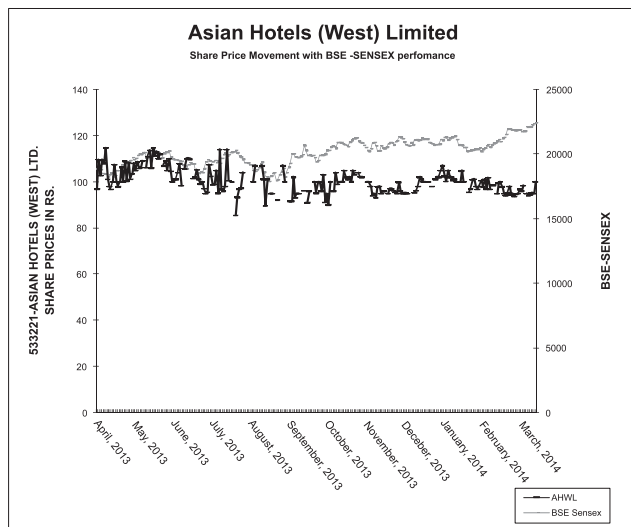
Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Further, Share Price Performance in comparison to BSE SENSEX and NSE S&P CNX NIFTY for the period from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014 is given below.

# ASIAN HOTELS (WEST) LIMITED

## PRICE COMPARISON CHARTS

### Distribution of shareholders



Number of equity shares held	As on 31st March, 2014				As on 31st March, 2013			
	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	16428	96.97	841401	7.34	16394	96.78	885990	7.73
501-1000	282	1.66	201644	1.76	304	1.79	218021	1.90
1001-2000	100	.59	141669	1.23	106	0.63	149878	1.31
2001-3000	38	.22	94800	.83	42	0.25	102929	0.90
3001-4000	16	.09	56959	.50	15	0.09	53739	0.47
4001-5000	6	.04	27507	.24	6	0.04	27507	0.24
5001-10000	21	.12	145517	1.27	23	0.14	157546	1.37
10000 - above	50	.31	9948806	86.83	49	0.29	9862693	86.07
<b>TOTAL</b>	<b>16941</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>	<b>16939</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

### Category wise shareholding

CATEGORY	As on 31st March, 2014		As on 31st March, 2013	
	No. of shares held	% age of Share-holding	No. of shares held	% age of Share-holding
<b>A. Promoters Shareholding (Gupta Group)</b>				
– Indian	1420872	12.40	1420872	12.40
– Foreign	5468380	47.72	5468380	47.72
<b>Total Promoters shareholding</b>	<b>6889252</b>	<b>60.12</b>	<b>6889252</b>	<b>60.12</b>
<b>B. Public Shareholding</b>				
– Mutual Funds/Financial Institutions/ Banks and Insurance Companies	128077	1.12	127834	1.12
– FII's	6719	0.06	6719	0.06
– NRI's	875109	7.64	907730	7.92
– Bodies Corporate (Domestic)	1076013	9.39	1178380	10.28
– Individuals (Indian Public)	2456503	21.44	2327173	20.31
– Trusts	278	0.00	0.00	0.00
– Clearing Members	7512	0.07	2375	0.02
– Foreign Bodies	18840	0.16	18840	0.16
<b>Total Public shareholding</b>	<b>4569051</b>	<b>39.88</b>	<b>4569051</b>	<b>39.87</b>
<b>GRAND TOTAL</b>	<b>11458303</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

# ASIAN HOTELS (WEST) LIMITED

## Share Transfer System

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

- i) Share Transfer and Shareholders Grievances Committee comprising of Directors and
- ii) Executive Share Transfer Committee comprising of executives of the Company.

In compliance with the Listing Agreement, the transfer of shares received in physical form are approved and given effect to every fortnight.

## Share Transfer Agent

Karvy Computershare Pvt Limited  
"Karvy House"  
Plot no. 17 to 24, Vithalrao Nagar,  
Madhapur, Hyderabad-500081  
Website : www.karvy.com  
Tel No. 040-23420815-24  
Fax No. 040-23420814  
e-mail : mailmanager@karvy.com

## Dematerialisation of Shares

11119293 equity shares (equivalent to 96.94%) of the total equity shares of the Company are held in dematerialized form as on 31<sup>st</sup> March, 2014.

## Dividend Information:

No amount is required to be deposited with the Investor Education and Protection Fund during the year under review nor is any amount required to be transferred to the Investor Education and Protection Fund during the current financial year.

## 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.

## 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.

## Registered Office

### 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. 011-46101202

Email Id. nikhil.sethi@asianhotelswest.com

## Details of unclaimed shares in terms of Clause 5A of Listing Agreement

In terms of Clause 5A of the Listing Agreement, 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.	848 number of shareholders and the outstanding shares are 69,847.
2.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	4
3.	Number of shareholders to whom shares were transferred from suspense account during the year.	4
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	844 number of shareholders and the outstanding shares are 69,132.

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

Adoption of Non-Mandatory Requirements	:	Besides constituting the Remuneration Committee, the Company has so far not implemented other non-mandatory requirements of the Code of Corporate Governance.
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# ASIAN HOTELS (WEST) LIMITED

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## ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

09<sup>th</sup> August, 2014

The Board of Directors  
Asian Hotels (West) Limited  
6th Floor, Aria Tower, J.W. Marriott,  
New Delhi Aerocity, Asset Area 4,  
Hospitality District,  
Near IGI Airport,  
New Delhi-110037

**Subject: Code of Conduct – Declaration under Clause 49 (I) (D)**

Dear Sirs,

This is to certify that pursuant to Clause 49(I) (D) of the Listing Agreement, the Board of Directors has adopted a Code of Conduct for its members and Senior Management personnel and that they have affirmed having complied with the said Code of Conduct for the 12 months period ended 31st March, 2014.

**FOR ASIAN HOTELS (WEST) LIMITED**

**SUSHIL KUMAR GUPTA  
CHAIRMAN AND MANAGING DIRECTOR**

## ANNEXURE 'D' TO DIRECTORS' REPORT

### DRAFT CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To  
The Members of Asian Hotels (West) Limited.

We have examined the compliance of the mandatory conditions of Corporate Governance by Asian Hotels (West) Limited during the Financial Year ended on 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India.

The Compliance of conditions 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 conditions 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 and the representations made by the Directors and the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement. We state that in respect of investor grievance received during the year ended 31<sup>st</sup> March, 2014 no investor grievances are pending for a period exceeding one month against the Company as per the records available with the Company.

We further state that such compliance 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: 9<sup>th</sup> August, 2014

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

# ASIAN HOTELS (WEST) LIMITED

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## INDEPENDENT AUDITORS' REPORT

To the Members of Asian Hotels (West) Limited

### Report on the Financial Statements

We have audited the accompanying Financial Statements of **Asian Hotels (West) Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and Notes to Financial Statements comprising of a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In case of Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 ; and
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **S. S. KOTHARI MEHTA & Co.**  
Chartered Accountants  
FRN – 000756N

**ARUN K.TULSIAN**  
Partner  
Membership No. 89907

Date: May 28, 2014  
Place: New Delhi

# ASIAN HOTELS (WEST) LIMITED

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## ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a programme of physically verifying its fixed assets in a phased manner designed to cover all assets over a period of time, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, the Management had carried out a physical verification of some of its fixed assets during the year and the discrepancies noted on such verification were not material and have been suitably dealt with in the books.
  - c. No substantial part of the fixed assets was disposed off during the year.
- ii. In respect of its inventories:
  - a. As explained to us, all inventories have been physically verified during the year by the Management at reasonable intervals.
  - b. In our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. In our opinion, the Company has maintained proper inventory records. The discrepancies noticed between the physical stocks and book records were not material and the same have been properly dealt with in the books of account.
- iii. The Company has granted unsecured loan to its subsidiary Company Inova Hotels & Resorts Limited listed in the register maintained under Section 301 of the Act. The maximum amount involved during the year and year end balance of such loan is Rs. 664.88 lacs & Rs. NIL respectively. Apart from this, there are no other loans granted during the year. The rate of interest and other terms & conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- iv. The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(iii)(e), (f) and (g) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control systems.
- vi.
  - a. According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under that section have been so entered.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakh in respect of each party have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vii. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975.
- viii. In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
- ix. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for the Company's activities. Hence, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- x.
  - a. According to the records of the Company examined by us and the information and explanations given to us, the Company has generally deposited its statutory dues including Employees' Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues within the prescribed time with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.
  - b. We are informed that there are no dues in respect of Sales Tax, Income Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute.
- xi. There are no accumulated losses of the Company as at the end of the financial year. There are no cash losses during the financial year and in the immediately preceding financial year.
- xii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.



# ASIAN HOTELS (WEST) LIMITED

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- xiii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records and making timely entries for all transactions and contracts in shares and other investments. All shares have been held by the Company in its own name.
- xvi. According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiary companies from banks, the terms & conditions of which are not, prima facie, prejudicial to the interest of the Company.
- xvii. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained where such end use has been stipulated by the lender.
- xviii. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, the funds raised by the Company on short-term basis have, prima facie, not been applied for long-term investments during the year.
- xix. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xx. Based on the books and records produced to us by the management, securities have been created in respect of debentures issued, wherever required.
- xxi. The Company has not raised any money by way of public issues during the year.
- xxii. During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.

Place : New Delhi  
Dated : May 28, 2014

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 00756N

**ARUN K. TULSIAN**  
Partner  
Membership No.: 89907

# ASIAN HOTELS (WEST) LIMITED

BALANCE SHEET AS AT MARCH 31, 2014

(Rs. in Lacs)

	NOTES	As at March 31, 2014		As at March 31, 2013	
<b>EQUITY AND LIABILITIES</b>					
<b>1. SHAREHOLDERS' FUNDS</b>					
a. Share Capital	2	1,145.83		1,145.83	
b. Reserves and Surplus	3	27,923.46	29,069.29	28,627.28	29,773.11
<b>2. NON-CURRENT LIABILITIES</b>					
a. Long-term Borrowings	4	10,841.07		9,853.46	
b. Deferred Tax Liabilities (Net)	5	3,083.87		2,998.94	
c. Other Long term Liabilities	6	9.62		9.10	
d. Long Term Provisions	7	224.41	14,158.98	220.88	13,082.38
<b>3. CURRENT LIABILITIES</b>					
a. Short Term Borrowings	8	293.18		284.36	
b. Trade Payables	9	420.80		389.62	
c. Other Current Liabilities	10	4,931.98		4,259.98	
d. Short Term Provisions	7	319.04	5,965.00	445.52	5,379.48
			49,193.27		48,234.97
<b>ASSETS</b>					
<b>4. NON-CURRENT ASSETS</b>					
a. Fixed assets	11				
i. Tangible Assets		26,572.21		27,167.04	
ii. Capital work-in-progress		40.01	26,612.22	45.82	27,212.86
b. Non-current Investments	12	16,851.00		14,542.67	
c. Long Term Loans and Advances	13	3,278.75	20,129.75	3,935.18	18,477.85
<b>5. CURRENT ASSETS</b>					
a. Current Investments	14	0.13		—	
b. Inventories	15	323.22		318.45	
c. Trade Receivables	16	562.49		478.32	
d. Cash and Cash Equivalents	17	90.94		67.29	
e. Short-term Loans and Advances	13	1,437.90		1,620.04	
f. Other Current Assets	18	36.62	2,451.30	60.16	2,544.26
			49,193.27		48,234.97
<b>SIGNIFICANT ACCOUNTING POLICIES</b>					
	1				

Accompanying notes form an integral part of the Financial Statements

AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

Place : New Delhi  
Dated : May 28th, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**  
Chairman &  
Managing Director  
DIN : 00006165  
**RAKESH KUMAR AGGARWAL**  
Chief Financial Officer

**SANDEEP GUPTA**  
Executive  
(Whole-Time) Director  
DIN : 00057942  
**NIKHIL SETHI**  
Company Secretary  
Membership No. A-18883

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. in Lacs)

	NOTES	Year ended March 31, 2014	Year ended March 31, 2013
<b>1. INCOME</b>			
a. Revenue From Operations	19	12,979.53	12,991.21
Less : Excise Duty		7.14	8.36
		12,972.39	12,982.85
b. Other Income	20	38.23	109.45
Total Revenue		<u>13,010.62</u>	<u>13,092.30</u>
<b>2. EXPENSES</b>			
a. Consumption of Provisions, Beverages, Smokes and Others	21	1,184.99	1,194.17
b. Employee Benefit Expenses	22	3,121.03	2,950.46
c. Finance Cost	23	1,854.16	1,628.05
d. Depreciation and Amortization Expense	11	827.22	1,025.22
e. Other Expenses	24	5,400.55	4,932.03
Total Expenses		<u>12,387.95</u>	<u>11,729.93</u>
<b>3. Profit before tax and exceptional items</b>		<b>622.67</b>	<b>1,362.37</b>
Less : Exceptional Items (Net-Gain/(Loss))	31	859.91	-
<b>4. Profit before Tax</b>		<b>(237.24)</b>	<b>1,362.37</b>
<b>5. Tax expense</b>			
i. Current Tax		139.00	455.20
ii. Earlier Year Tax		41.56	-
iii. Deferred Tax charge/(Credit)		84.94	144.02
		<u>265.50</u>	<u>599.22</u>
<b>6. Profit/(Loss) for the Year</b>		<b>(502.74)</b>	<b>763.15</b>
<b>Earning per Equity Share (Nominal value per Share Rs. 10/-) (Refer Note No 41)</b>			
i. Basic		(4.39)	6.66
ii. Diluted		(4.39)	6.66

### SIGNIFICANT ACCOUNTING POLICIES

1

Accompanying notes form an integral part of the Financial Statements.

### AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner

Membership No. 89907

Place : New Delhi

Dated : May 28th, 2014

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883

# ASIAN HOTELS (WEST) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(Rs. in Lacs)

	2013-14	2012-13
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>[a] Net Profit before Tax</b>	<b>(237.24)</b>	1,362.37
Adjustment for:		
Depreciation	827.22	1,025.22
(Profit)/Loss on sale of fixed assets	44.12	(46.61)
Loss on Sale of Investment	859.91	
Loss on Transfer Commercial Space (2 D)	33.29	
Dividend Income on Investment	(0.56)	(36.72)
Interest Paid	1,854.16	1,628.05
Interest Earned	(18.31)	(25.96)
	<b>3,599.83</b>	2,543.98
<b>[b] Operating profit before working capital charges</b>	<b>3,362.59</b>	3,906.35
Adjustments for:		
(Increase)/Decrease in Inventories	(4.77)	16.37
(Increase)/Decrease in Trade Receivables	(84.17)	173.15
(Increase)/Decrease in Loans and Advances	903.64	(3,826.49)
Increase/(Decrease) in Trade Payables	460.97	34.86
Increase/(Decrease) in Provisions	(262.92)	(482.67)
	<b>1,012.75</b>	(4,084.78)
<b>[c] Cash generated from operations</b>	<b>4,375.34</b>	(178.43)
Direct taxes paid (Net)	(316.50)	(444.00)
<b>Net cash from Operating Activities (A)</b>	<b>4,058.84</b>	(622.43)
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(327.48)	(454.83)
Sale of fixed assets	56.82	895.91
Sale/(Purchase) of Investments	(3,168.37)	831.00
Dividend Income on Investment	0.56	36.72
<b>Net Cash from Investing Activities (B)</b>	<b>(3,438.47)</b>	1,308.80
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	(3,441.01)	(2,687.41)
Proceeds of Borrowings	4,680.15	3,582.76
Interest Paid	(1,854.16)	(1,628.04)
Interest Earned	18.31	25.96
<b>Net Cash from Financing activities [C]</b>	<b>(596.71)</b>	(706.73)
<b>Net Increase/ (Decrease) in Cash Equivalent [A+B+C]</b>	<b>23.66</b>	(20.36)
Cash and Cash equivalent (Beginning of the year)	67.29	87.65
Cash and Cash equivalent (End of the year)	90.94	67.29

**Notes:**

- 1 Figures in bracket represent Cash Outflow.
- 2 Previous Year's figures have been regrouped/rearranged wherever necessary.

**AS PER REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner

Membership No. 89907

Place : New Delhi

Dated : May 28th, 2014

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE : 1

#### SIGNIFICANT ACCOUNTING POLICIES:

**a. Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) read with General Circular No. 15/2013 dated 13th September, 2013 and General Circular No. 8/2014 dated 4th April 2014 issued by Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company.

**b. Use of Estimates**

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles requiring management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

**c. Revenue Recognition**

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

- i. Revenue from rendering of hospitality services is recognized when the related services are performed.
- ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. Dividend income from investments is recognized when the Company's right to receive payment is established.
- iv. Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

**d. Income in Foreign Exchange**

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

**e. Interest on Income Tax Refunds / Demands**

It is accounted for as income in the year when granted and as tax expense when determined by the tax authorities.

**f. Claims Recoverable**

Claims recoverable are accrued only to the extent as admitted by the parties.

**g. Expenses remittable in foreign exchange**

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

**h. Foreign Exchange Transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year-end are translated at the year-end rates resulting in exchange differences being recognized as income /expenses (net).

Foreign Currency balances at the year-end are converted at the year-end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

**i. Employee Benefits**

- i. Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by approved actuary using projected unit credit method.
- ii. All employees are covered under contributory provident fund benefit of a contribution of specified percentage of salary. It is a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

**j. Taxation**

- i. Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal/adjustment of timing differences of earlier years.
- ii. Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).
- iii. Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
- iv. Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### k. Fixed Assets and Depreciation

#### i. Fixed Assets

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

#### ii. Depreciation

- a. Depreciation as per straight line method is charged in the accounts.
- b. The charge is on the basis of rates as prescribed under Schedule XIV to the Companies Act, 1956 pro rata from the month of purchase. If the asset is purchased on or before the 15th of month, depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.

### l. Investments

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

### m. Inventory

- i. Inventory is valued at cost or net realizable value, whichever is lower.
- ii. Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- iii. Shares held as Stock- in -trade are valued at cost or market value whichever is lower.
- iv. Net realizable value is estimated selling/ realizable value in the normal course of business less cost of completing the sale.

Cost is determined on weighted average basis.

### n. Leases

#### When the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### When the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### o. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, each asset/ group of assets is identified for which there are separately identifiable cash flows (cash generating units).

### p. Earnings per share

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

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.

### q. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash/ cheques in hand and fixed deposits with banks with maturity period of three months or less.

### r. Dividend

Dividend proposed on equity shares, if any, is accounted for pending approval at the AGM.

### s. Provisions and contingent liabilities

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31,2014	As at March 31,2013
	Rs. in lacs	Rs. in lacs
<b>NOTE -2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
i. 14,000,000 (Previous year 14,000,000) Equity Shares of Rs. 10/- each	1,400.00	1,400.00
ii. 11,000,000 (Previous year 11,000,000) Preference Shares of Rs. 10/- each	1,100.00	1,100.00
	<u>2,500.00</u>	<u>2,500.00</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
i. 11,458,303 (Previous year 11,458,303) Equity Shares of Rs. 10/-each fully paid up*	1,145.83	1,145.83
	<u>1,145.83</u>	<u>1,145.83</u>

\* 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 date January 13, 2010.

### a. Reconciliation of the Shares outstanding at the beginning and at the end of reporting period

	March 31,2014		March 31,2013	
	No of Shares	Rs. in lacs	No of Shares	Rs. in lacs
<b>i. Equity Shares of Rs 10/- each fully paid up</b>				
Balance at the beginning of the year	1,14,58,303	1,145.83	1,14,58,303	1,145.83
Add: Issued during the year	-	-	-	-
Balance at the end of the year	<u>1,14,58,303</u>	<u>1,145.83</u>	<u>1,14,58,303</u>	<u>1,145.83</u>

### b. Rights, restrictions and preferences attached to each class of Share

The Company has two class of Shares i.e Equity and Preference having a par value of Rs. 10/- each. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### c. Details of Shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2014		As at March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
D.S.O. Limited	53,36,880	46.58	53,36,880	46.58

	As at March 31, 2014		As at March 31, 2013	
	Rs. in lacs		Rs. in lacs	

## NOTE - 3

### RESERVES & SURPLUS

<b>A. Capital Reserve</b>	-	1.41	-	1.41
<b>B. Capital Redemption Reserve</b>				
Balance at the beginning of the year	990.00		990.00	
Add: Transferred during the year	-	990.00	-	990.00
<b>C. Debenture Redemption Reserve</b>				
Balance at the beginning of the year	1,581.25		518.75	
Less: Transferred to Statement of Profit & Loss	(450.00)	1,131.25	1,062.50	1,581.25
<b>D. Securities Premium Reserve</b>				
Balance at the beginning of the year	144.36		144.36	
Add: Received during the year	-		-	
Less: Expenses incurred on issue of shares	-	144.36	-	144.36

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2014		As at March 31, 2013	
	Rs. in lacs		Rs. in lacs	
<b>E. General Reserve</b>				
Balance at the beginning of the year	15,653.24		15,596.00	
Add: Transferred from Tourism Development Utilised Reserve	–		–	
Add: Transfer from Debenture Redemption Reserve	450.00		–	
Add: Transfer from Statement of Profit & Loss	–	16,103.24	57.24	15,653.24
Surplus/(Deficit) in the Statement of Profit and Loss				
Balance at the beginning of the year	10,257.02		10,881.71	
Add: Profit for the year	(502.74)		763.15	
Amount available for appropriation	9,754.28		11,644.86	
<b>Less: Appropriations</b>				
a. Transfer to General Reserve	–		57.24	
b. Proposed Dividend on Equity Shares	171.87		229.17	
c. Dividend Distribution tax	29.21		38.95	
d. Transfer from Debenture Redemption Reserve	–	9,553.19	1,062.50	10,257.02
		27,923.46		28,627.28

	As at March 31,2014			As at March 31,2013		
	Non-Current	Current	Total	Non-Current	Current	Total
	Rs. In Lacs			Rs. In Lacs		

### NOTE - 4

#### LONG-TERM BORROWINGS

##### A Secured

###### a. Debentures

i. Non Convertible Debentures of Rs. 10 lacs each#	2,625.00	1,900.00	4,525.00	4,525.00	1,800.00	6,325.00
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###### b. Term Loans from

i. Banks*	8,108.66	1,174.69	9,283.35	5,184.97	1,000.00	6,184.97
ii. Banks - Vehicle Loans **	107.42	56.98	164.40	143.49	88.94	232.44

<b>Total</b>	<b>10,841.07</b>	<b>3,131.67</b>	<b>13,972.74</b>	<b>9,853.46</b>	<b>2,888.94</b>	<b>12,742.41</b>
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Amount disclosed under the head "Other Current Liabilities" Refer Note No - 10 as :

Current Maturities of Long-Term Debts	–	(3,131.67)	(3,131.67)	–	(2,888.94)	(2,888.94)
---------------------------------------	---	------------	------------	---	------------	------------

<b>Total</b>	<b>–</b>	<b>(3,131.67)</b>	<b>(3,131.67)</b>	<b>–</b>	<b>(2,888.94)</b>	<b>(2,888.94)</b>
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<b>Net Amount</b>	<b>10,841.07</b>	<b>–</b>	<b>10,841.07</b>	<b>9,853.46</b>	<b>–</b>	<b>9,853.46</b>
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#### Nature of Security and Terms of Repayment

##### Debentures

# 1,000 rated, taxable, secured, redeemable, non-convertible debentures (NCD) of Rs.10 lacs each aggregating to Rs.10,000 lacs were issued to Kotak Mahindra Bank Limited on private placement basis on June 25, 2010. M/s IDBI Trusteeship Services Limited, Mumbai was appointed as the Debenture Trustee to the aforesaid NCD's. The rate of interest on these NCDs has been linked to Kotak Mahindra Banks Prime lending Rate (PLR) less 5% p.a. The outstanding balance of Rs. 4,525 lacs as on March 31,2014 (Previous year 6,325 lacs) is secured by way of first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Kumar Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2014 is repayable in 8 unequal quarterly installments ranging from Rs. 475 lacs to Rs. 660 lacs.



# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Term Loans

- \* The outstanding balance of Rs. 1,800 lacs as on March 31, 2014 (Previous year 2,800 lacs) out of sanctioned loan of Rs. 4,500 lacs is secured by way of first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Kumar Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2014 is repayable in 8 unequal quarterly installments ranging from Rs. 175 lacs to Rs. 275 lacs.
- \* The Company has availed loan of Rs. 3,983.84 Lacs ( Previous Year Rs. 3,384.97 lacs ) against sanctioned limit of Rs.4,000 Lacs. It is repayable in 24 unequal quarterly installments starting from Sep.2014 ranging from Rs. 21.15 Lacs to Rs. 200.98 Lacs.
- \* During the year, the Company was sanctioned additional borrowing facilities aggregating to Rs. 3500.00 Lacs from the Kotak Mahindra Prime Limited out of which Company has availed Rs. 3500.00 lacs as on 31st March, 2014 repayable by way of 50 unequal quarterly installments starting from Jan. 2015 ranging from Rs.50.00 Lacs to Rs. 70.83 Lacs.
- The above facilities are inter alia secured by first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Kumar Gupta, Chairman and Managing Director.
- \*\* The outstanding balance of Rs. 164.39 lacs as on March 31, 2014 (Previous year 232.44 lacs) from bank/corporate body against Vehicle / Equipment loans are secured by hypothecation of vehicles and equipments. The outstanding balance as on March 31, 2014 is repayable upto January, 2019 on monthly installments ranging from Rs.0.46 lacs to Rs. 1.07 lacs.

(Rs. in Lacs )

	As at March 31, 2014	Charge/ (Credit) during the year	As at March 31, 2013
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### NOTE- 5

#### DEFERRED TAX LIABILITIES (NET)

##### A. Deferred Tax Liabilities

i. Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,203.99	74.16	3,129.83
	<u>3,203.99</u>	<u>74.16</u>	<u>3,129.83</u>

##### B. Deferred Tax Assets

i. Impact of expenses for retirement benefits charged to the statement of profit and loss in the current year but allowed for tax in future years	116.37	(1.76)	114.61
ii. Provision for doubtful debts and advances	-	-	-
iii. Impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	3.75	12.53	16.28
	<u>120.12</u>	<u>10.77</u>	<u>130.89</u>
<b>Net Deferred Tax Liability</b>	<u><b>3,083.87</b></u>	<u><b>84.93</b></u>	<u><b>2,998.94</b></u>

	As at March 31, 2014	As at March 31, 2013
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### NOTE - 6

#### OTHER LONG TERM LIABILITIES

Security Deposits	9.62	9.10
	<u>9.62</u>	<u>9.10</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2014		As at March 31, 2013	
	Long Term	Short Term	Long Term	Short Term
<b>NOTE - 7</b>				
<b>PROVISIONS</b>				
<b>A. Provision for Employee Benefits</b>				
i. Gratuity (Refer Note No. 37)	180.67	104.82	163.63	103.68
ii. Leave Encashment (Refer Note No. 37)	43.74	13.14	57.25	12.62
<b>B. Other Provisions</b>				
i. Provision for Taxation (Net of Advance Income Tax and TDS Rs. 2,178.20 lacs)	-	-	-	61.11
ii. Proposed Dividend (including Dividend Distribution Tax)	-	201.08	-	268.11
	<b>224.41</b>	<b>319.04</b>	220.88	445.52

	As at March 31, 2014	As at March 31, 2013
	Rs.in lacs	Rs.in lacs

## NOTE - 8

### SHORT TERM BORROWINGS

Loans repayable on Demand-From Banks on Cash Credit (Secured)	293.18	284.36
<b>Total</b>	<b>293.18</b>	<b>284.36</b>

The outstanding balance of Rs. 293.18 lacs as on March 31, 2014 (Previous year 284.36 lacs) out of sanctioned limit of Rs. 500 lacs is secured by way of exclusive charge on all existing and future current assets of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr Sushil Kumar Gupta, Chairman and Managing Director.

## NOTE - 9

### TRADE PAYABLES

Trade Payables*	420.80	389.62
<b>Total</b>	<b>420.80</b>	<b>389.62</b>
* Includes due to Micro, Small and Medium enterprises (Refer Note No.-40 ) (to the extent information is available with the company)	14.24	10.22

## NOTE - 10

### OTHER CURRENT LIABILITIES

a. Current Maturities of Long-term debt	3,131.67	2,888.94
b. Advance From Customers	220.53	216.27
c. Advance received for transfer of commercial Space under lease	50.00	-
d. Unpaid Dividend*	18.29	14.93
e. Interest accrued but not due	113.93	82.70
f. Book Overdraft	117.06	-
g. Other Payables		
i. Withholding & Other Taxes	341.10	328.06
ii. Expenses	785.30	616.31
iii. Accrued Salaries & Benefits	154.10	112.77
<b>Total</b>	<b>4,931.98</b>	<b>4,259.98</b>

\* There are no amounts due and outstanding to be credited to the Investor Education & Protection Fund.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE - 11 FIXED ASSETS

(Rs. in Lacs)

Particulars	Tangible Assets					Total	Capital Work In Progress
	Land - Freehold	Buildings	Furniture Fixture & Furnishings	Plant & Machinery	Vehicles		
<b>Gross Block</b>							
<b>At March 31, 2012</b>	10,069.22	14,808.20	2,755.53	9,132.87	566.91	37,332.75	41.48
Additions	–	66.91	0.09	142.63	240.86	450.49	4.34
Sales /Adjustment /Transfer	781.91	10.33	0.98	117.97	53.31	964.49	–
<b>At March 31, 2013</b>	9,287.31	14,864.79	2,754.64	9,157.53	754.47	36,818.75	45.82
Additions	–	5.45	77.32	181.88	22.28	286.93	40.01
Sales /Adjustment /Transfer	–	12.74	53.51	77.86	50.14	194.25	45.82
<b>At March 31, 2014</b>	<b>9,287.31</b>	<b>14,857.51</b>	<b>2,778.45</b>	<b>9,261.54</b>	<b>726.61</b>	<b>36,911.43</b>	<b>40.01</b>
<b>Depreciation</b>							
<b>As at March 31, 2012</b>	–	2,154.50	2,219.34	4,079.98	287.85	8,741.67	–
Charge for the year	–	241.74	261.20	452.59	69.69	1,025.22	–
Sales /Adjustment /Transfer	–	1.68	0.90	67.34	45.26	115.18	–
<b>As at March 31, 2013</b>	–	2,394.56	2,479.64	4,465.23	312.29	9,651.71	–
Charge for the year	–	242.34	52.53	448.01	84.33	827.22	–
Sales /Adjustment /Transfer	–	0.99	46.60	46.10	46.01	139.70	–
<b>As at March 31, 2014</b>	–	<b>2,635.91</b>	<b>2,485.57</b>	<b>4,867.14</b>	<b>350.61</b>	<b>10,339.22</b>	–
<b>Net Block</b>							
<b>As at March 31, 2013</b>	9,287.31	12,470.23	275.01	4,692.29	442.18	27,167.04	45.82
<b>As at March 31, 2014</b>	<b>9,287.31</b>	<b>12,221.60</b>	<b>292.88</b>	<b>4,394.40</b>	<b>376.00</b>	<b>26,572.21</b>	<b>40.01</b>

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 12

#### NON-CURRENT INVESTMENTS

Trade Investments (valued at cost unless stated otherwise)

#### A. SHARES IN SUBSIDIARY COMPANIES

##### a. Equity Shares -Unquoted

i. Aria Hotels & Consultancy Services Private Limited	11,497.00	11,497.00
5,96,10,000 (Previous Year 5,96,10,000) Equity shares of Rs.10/- each		
ii. Inova Hotels & Resorts Limited*	–	1,799.68
NIL (Previous Year 9,998,186) Equity shares of Rs. 10/- each		

##### b. Preferences Shares -Unquoted

i. Aria Hotels & Consultancy Services Private Limited		
38,61,538 (Previous Year 38,61,538) Compulsorily Convertible Preference share of Rs. 10/- each	1,004.00	1,004.00
145,00,000 (Previous Year NIL) Optional Convertible Preference Shares.	4,350.00	–

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs
ii. Invoa Hotels & Resorts Limited*	-	241.99
NIL (Previous Year 1,344,408) Optionally Cumulative Convertible Preference share of Rs. 10/- each.		
	<b>16,851.00</b>	14,542.67
* Subsidiary upto July 4, 2013		
<b>Cost of Unquoted Shares</b>	<b>16,851.00</b>	14,542.67

	As at March 31, 2014		As at March 31, 2013	
	Non Current	Current	Non Current	Current
	Rs. in lacs		Rs. in lacs	

### NOTE - 13

#### LOANS AND ADVANCES (unsecured considered good)

<b>A. Security Deposits</b>	<b>3,194.08</b>	<b>751.95</b>	3,926.45	21.37
Less : Provision for Diminution in Value		<b>(33.29)</b>		
<b>B. Other Advances to Related Parties</b>	-	-	-	464.87
<b>C. Others</b>				
i. Advances recoverable in cash or in kind				
a. Considered good	-	<b>424.91</b>	-	713.90
b. Considered doubtful	-	-	-	-
Less : Provision for doubtful advances	-	-	-	-
ii. Prepaid Expenses	-	<b>161.21</b>	-	166.76
iii. Advance to Suppliers/Contractors	-	<b>52.84</b>	-	163.15
iv. Advance to Employees	<b>9.85</b>	<b>1.80</b>	8.73	4.30
v. Advance Tax (Net of Provision for Tax Rs. 74.82 lacs (Previous year NIL))	<b>74.82</b>	-	-	-
vi. Balances with Statutory Authorities	-	<b>78.48</b>	-	85.69
	<b>3,278.75</b>	<b>1,437.90</b>	3,935.18	1,620.04

### NOTE - 14

#### CURRENT INVESTMENTS

Non-Trade Investments (Valued at cost unless stated otherwise)

#### MUTUAL FUND

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs
1305.08 (Previous Year NIL) units of Rs. 10 each of HDFC Cash Management Fund-TAP-Retail	<b>0.13</b>	-
	<b>0.13</b>	-
<b>Cost of quoted investments</b>	<b>0.13</b>	-
<b>Market value of quoted investments</b>	<b>0.13</b>	-

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31,2014	As at March 31,2013
	Rs. in lacs	Rs. in lacs
<b>NOTE -15</b>		
<b>INVENTORIES</b>		
(As Taken, Valued and Certified by the Management)		
i. Wines & Liquor	102.93	82.29
ii. Provisions, Other Beverages and Smokes	19.97	19.64
iii. Crockery, Cutlery, Silverware, Linen etc.	140.50	129.63
iv. General Stores and Spares	56.70	84.04
v. Shares in Trade	3.12	2.85
<b>Total</b>	<b>323.22</b>	<b>318.45</b>
<b>NOTE - 16</b>		
<b>TRADE RECEIVABLES (Unsecured, considered good unless otherwise stated)</b>		
<b>A. OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DUE DATE</b>		
i. Considered Good	2.80	9.07
ii. Considered Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
<b>B. OUTSTANDING FOR A PERIOD LESS THAN SIX MONTHS FROM THE DUE DATE</b>		
i. Considered Good	559.69	469.25
<b>Total</b>	<b>562.49</b>	<b>478.32</b>
<b>NOTE - 17</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>A. Cash and Cash Equivalents</b>		
i. Balances with banks in Current Accounts	16.26	30.36
ii. Cash on hand	12.12	8.20
iii. Cheques in hand	44.27	13.80
	<b>72.65</b>	<b>52.36</b>
<b>B. Other Bank Balances</b>		
i. Dividend Accounts	18.29	14.93
	<b>18.29</b>	<b>14.93</b>
	<b>90.94</b>	<b>67.29</b>
<b>NOTE - 18</b>		
<b>OTHER CURRENT ASSETS</b>		
Unbilled Revenue	36.62	60.16
	<b>36.62</b>	<b>60.16</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year Ended March 31, 2014	Year Ended March 31, 2013
	Rs. in lacs	Rs. in lacs
<b>NOTE - 19</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>SALE OF SERVICES</b>		
i. Rooms	8,354.36	8,328.92
ii. Wines and Liquor	592.74	572.29
iii. Food, Other Beverages, Smokes & Banquets	3,246.36	3,263.96
iv. Communications	115.14	123.33
v. Others	670.93	702.71
<b>Total</b>	<b>12,979.53</b>	<b>12,991.21</b>
<b>NOTE - 20</b>		
<b>OTHER INCOME</b>		
i. Interest Income	18.31	25.96
ii. Dividend Income	0.56	36.72
iii. Profit on Sale of Fixed Assets (Net)	-	46.61
iv. Car Rent Income	18.75	-
v. Miscellaneous Income	0.61	0.16
<b>Total</b>	<b>38.23</b>	<b>109.45</b>
<b>NOTE - 21</b>		
<b>CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES AND OTHERS</b>		
<b>A. WINES &amp; LIQUOR</b>		
Opening Stock	82.29	126.36
Add : Purchases	204.25	138.08
	<b>286.54</b>	<b>264.44</b>
Less : Closing Stock	102.93	82.29
	<b>183.61</b>	<b>182.15</b>
<b>B. FOOD, PROVISIONS, OTHER BEVERAGES AND SMOKES</b>		
Opening Stock	19.64	30.84
Add : Purchases	1,001.71	1,000.81
	<b>1,021.35</b>	<b>1,031.65</b>
Less : Closing Stock	19.97	19.64
	<b>1,001.38</b>	<b>1,012.01</b>
<b>Total</b>	<b>1,184.99</b>	<b>1,194.17</b>
Indigenous	979.12	997.69
Imported	205.87	196.47
<b>NOTE - 22</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
i. Salaries, Wages, Allowances & Commission	2,101.14	1,967.78
ii. Contribution to Gratuity, Provident and Other Funds	200.61	203.80
iii. Staff Welfare Expenses*	328.60	320.36
iv. Contract Labour & Services	490.68	458.52
<b>Total</b>	<b>3,121.03</b>	<b>2,950.46</b>
*includes:		
Cost of provisions consumed in staff cafeteria	150.88	142.27
Realisation on sale of food coupons to staff	-	(5.28)

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year Ended March 31, 2014	Year Ended March 31, 2013
	Rs. in lacs	Rs. in lacs
<b>NOTE - 23</b>		
<b>FINANCE COST</b>		
<b>a. Interest on</b>		
i. Debentures	767.07	986.61
ii. Term Loans	1,004.25	553.48
iii. Vehicle loans	18.76	13.09
iv. Self Assessment Tax	6.19	1.67
v. Cash Credit Facility	18.53	2.34
<b>b. Other Borrowing Costs</b>	39.36	70.86
<b>Total</b>	<b>1,854.16</b>	<b>1,628.05</b>

## NOTE - 24

### OTHER EXPENSES

i. Linen, Room, Catering and Other Supplies/Services	272.39	282.29
ii. Operating equipments and Supplies written off	83.01	71.36
iii. Fuel, Power and Light (Net)	1,320.16	1,128.20
iv. Repairs, Maintenance and Refurbishing*	872.46	757.85
v. Rent	7.99	39.46
vi. Rates and Taxes	281.85	264.70
vii. Insurance	68.54	71.42
viii. Directors' Sitting Fee	5.52	5.88
ix. Legal and Professional Expenses	123.96	136.66
x. Music & Television	65.85	66.21
xi. Artist Fee	0.85	1.55
xii. Stationery and Printing	65.47	57.32
xiii. Travelling and Conveyance	390.57	310.12
xiv. Communication Expenses	97.81	97.45
xv. Technical Services	543.62	591.69
xvi. Advertisement and Publicity	264.55	255.50
xvii. Commission and Brokerage	710.34	656.48
xviii. Charity & Donation	3.68	34.63
xix. Gain/Loss on Trading of Shares/Derivatives	1.47	0.29
xx. Loss on Fixed Assets Sold/Discarded (Net)	44.12	-
xxi. Provision for diminution in value of deposits	33.29	-
xxii. Recruitment & Training	31.51	27.11
xxiii. Gain/Loss on foreign exchange	31.10	2.66
xxiv. Miscellaneous	80.44	73.20
<b>Total</b>	<b>5,400.55</b>	<b>4,932.03</b>

\*includes:

Repairs & Maintenance - Buildings	139.61	168.81
Repairs & Maintenance - Plant & Machinery	345.06	335.29
Repairs & Maintenance - Others	248.95	319.96

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 25. Contingent Liabilities not provided for in respect of:

(Rs. in Lacs)

S. No.	Particulars	Amount As At March 31, 2014	Amount As At March 31, 2013
i.	Duty Saved against Export obligation	712.19	712.19
ii.	Corporate Guarantees on behalf of Subsidiaries	2834.79	6,629.28
iii.	Show cause Notices raised by Service Tax Authorities and contested by the company.	512.00	512.00
iv.	Property Tax Demand ( Refer Note 33 )	374.09	—

26. Pursuant to the Scheme of Arrangement & Demerger, Hyatt Regency, Mumbai was transferred to and vested in the Company. The Company has applied to the concerned authority for adjudication of stamp duty applicable on conveyance of the property title in favour of the Company, which has not been ascertained. Maximum liability which could be levied is estimated at Rs. 1500 lacs.

### 27. Capital and other Commitments :

(Rs. in Lacs)

Particulars	2013-14	2012-13
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	11.56	59.34
Other Commitments	163.12	148.39

28. During the year, in terms of requirement of Clause 1(C) of Section II of Part II of Schedule XIII to the Companies Act, 1956 the Company has obtained approval dated 6th September, 2013 from Ministry of Corporate Affairs under section 198, 309(3), 310 r/w Section 637A & 367AA of the Companies Act 1956 for payment of remuneration to the Managerial Personnel in the absence of adequate profits. The same for the year has been accounted for in terms of the approval.

29. Company has received refund of Rs. 55.56 lacs out of Rs. 95.94 lacs towards the amount paid under protest for the Service Tax demand raised in earlier years. The petition is already filed with Tribunal Authorities and hence been included under "Loans and Advances" as Claims Recoverable based on the progress made in the matter so far. Further Company has received notice dated December 10, 2012 (Appeals)-IV Central Excise, Mumbai Zone-I against refund order of Rs.55.56 lacs passed by Assistant Commissioner of Service Tax Div-III Mumbai and directed to file cross objections to prove that burden of tax has been borne by the claimant & not passed on.

30. During the year, Aria Hotels and Consultancy Services Private Limited, the subsidiary company has issued 14,500,000 Optionally Convertible Preference Shares of the face value of Rs. 10 each at a premium of Rs. 20 each on March 31, 2014 to the Company, which has been presented under non-current investments.

31. During the year, Company has transferred 9,998,186 equity shares of face value of Rs 10 each and 1,344,408 Optionally Cumulative Convertible Preference shares of face value of Rs 10 each of Inova Hotels & Consultancy Services Pvt Limited, subsidiary company, held as non-current investment, to Fleur Hotels (P) Limited for consideration of Rs. 89,119,387/- & Rs. 29,056,451/- respectively resulting in loss of Rs. 85,990,854 which has been disclosed as exceptional item in the Statement of Profit & Loss.

32. The Company has entered into agreement with a party on April 03, 2014 for sub-license vide agreement dated April 03, 2014 of commercial space admeasuring an aggregate super built area area of 3,329 Sq. feet at Commercial Tower, J. W. Marriott Hotel, New Delhi Aerocity, New Delhi which the Company had acquired vide sub license agreement dated September 18, 2012 with Aria Hotels and Consultancy Services Private Limited ("Aria"). All rights, duties, interest and liabilities of the Company in respect of above space stands subrogated in favour of the party w.e.f. April 03, 2014. Difference between the amount of security deposit paid earlier to the licensor and that receivable from the party resulting in loss of Rs.33.29 lacs has been accounted for during the year as provision for diminution in value.

33. During the year, the Company has received property tax demand of Rs. 449.04 lacs from Mumbai Municipal Corporation ("MMC") based on capital value system which is effective from April 01, 2010 retrospectively, out of which, we have already booked and paid Rs. 74.95 lacs in our books of account pertaining to Financial Year 2010-11. Hotels & Restaurant Association (Maharashtra) has filed a writ application in the High Court of Bombay against the new capital value system.

Hon'ble High Court has 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 rateable value system and capital value system. Final decision of Hon'ble High Court is pending. Meanwhile the Company has not made any provision for the demand raised by MMC in the financial statements.

34. As the company is engaged in only one segment of Hotel business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.



# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35. Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the Company:

(Rs. in Lacs)

S. No. Particulars	As at	As at
	March 31, 2014	March 31, 2013
a. Not later than one year	16.51	16.52
b. Later than one year and not later than five years	75.65	87.15
c. Later than five years	591.60	562.90

36. Auditors Remuneration (Exclusive of Service Tax):

(Rs in Lacs)

S. No. Particulars	Year ended March	Year ended March
	31, 2014	31, 2013
a. Statutory Audit Fee	8.00	8.00
b. Tax Audit Fee	1.75	1.75
c. Limited Review Fee	3.00	3.00
<b>Total</b>	<b>12.75</b>	<b>12.75</b>

37. The Company has classified the various benefits provided to employees as under:-

1. Defined contribution plans
  - a. Provident fund
2. Defined benefits plans
  - a. Contribution to Gratuity fund
  - b. Compensated absences – Earned leave

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

### Economic Assumptions

The discount rate and salary increases assumed are key financial assumptions and are considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 8 % p.a. compound, has been used.

### Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also taken into account. Again a long- term view as to the trend in salary increase rates is taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

- a. The following tables set out the unfunded status of the gratuity plan and earned leave and amounts recognized in the Company's financial statements as at March 31, 2014

- i. Change in benefit obligations:

(Rs. in Lacs)

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Present value of obligations as at the beginning of the year	267.31	234.96	69.87	52.21
Current service cost	36.00	37.09	14.42	19.88
Interest cost	21.38	18.80	5.58	4.18
Benefit Paid	-37.23	-24.62	-16.55	-11.87
Actuarial (gain)/ loss on obligation	-1.97	1.08	-16.44	5.47
<b>Present value of obligations as at the year end</b>	<b>285.49</b>	<b>267.31</b>	<b>56.88</b>	<b>69.87</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### ii. Expenses recognised in the Statement of Profit and Loss : (Rs. in Lacs)

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Current Service cost	36.00	37.09	14.42	19.88
Interest cost	21.38	18.80	5.58	4.18
Actuarial (gain)/loss recognised during the year	-1.97	1.08	-16.44	5.47
<b>Net charge/(credit)</b>	<b>55.41</b>	<b>56.97</b>	<b>3.56</b>	<b>29.53</b>

### iii. Amount recognized in balance Sheet:

Present value of obligations as at the end of the year	285.49	267.31	56.88	69.87
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	-285.49	-267.31	-56.88	-69.87
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gain)/ losses	-	-	-	-
<b>Net assets/ (liability) recognized in the balance sheet</b>	<b>-285.49</b>	<b>-267.31</b>	<b>-56.88</b>	<b>-69.87</b>

### iv. Bifurcation of PBO at the end of year

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13
Current liability	104.82	103.68	13.14	12.62
Non-Current liability	180.67	163.63	43.74	57.25
<b>Total PBO at the end of year</b>	<b>285.49</b>	<b>267.31</b>	<b>56.88</b>	<b>69.87</b>

### v. Disclosure as required by Para 120(n) of AS-15

Particulars	Gratuity (Unfunded)					Compensated absences Earned leave (Unfunded)				
	13-14	12-13	11-12	10-11	09-10	13-14	12-13	11-12	10-11	09-10
Present value of obligation as at the end of period	285.49	267.31	234.97	200.37	182.77	56.88	69.87	52.21	24.83	34.78
Fair value of plan assets at the end of the period	-	-	-	-	-	-	-	-	-	-
Surplus / (Deficit)	-285.49	-267.31	-234.97	-200.37	-182.77	-56.88	-69.87	-52.21	-24.83	-34.78
Experience adjustment on plan Liabilities (loss) / gain	1.92	-1.09	-4.89	1.67	-3.59	16.45	-5.47	5.73	21.80	-0.52
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-	-	-	-	-	-

### vi. Principal Actuarial Assumptions:

Particulars	Refer Note below	Year ended 31-Mar-14	Year ended 31-Mar-13
Discount rate (p.a.)	1	8%	8%
Salary escalation rate (p.a.)	2	7%	7%

#### Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.
- The gratuity plan and earned leave are unfunded.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Demographic assumptions:

- a. Retirement age 58 years
- b. Mortality rate Published rates under LIC (1994-96) mortality table.

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

#### a. List of related parties

##### (i) Subsidiary Company

- Aria Hotels and Consultancy Services Private Limited
- Inovia Hotels & Resorts Limited (up to 4th July, 2013)

##### (ii) Key Management Personnel

- Mr. Sushil Kumar Gupta (Chairman & Managing Director)
- Mr. Sudhir Chamanlal Gupta - Executive (Whole-Time) Director
- Mr. Sandeep Gupta - Executive (Whole-Time) Director

##### (iii) Relative of Key Management Personnel

- Mrs. Vinita Gupta (Wife of Mr. Sushil Kumar Gupta, Chairman & Managing Director)
- Ms. Sukriti Gupta (Daughter of Mr. Sudhir Chamanlal Gupta, Executive (Whole-Time) Director)

##### (iv) Entities over which Directors and their relatives can exercise significant influence

- Eden Park Hotels Private Limited
- M/s Bhasin & Co.
- M/s Chaman Lal S. Gupta
- Godfrey Philips India Ltd

### Balances outstanding/transactions with related parties

(Rs. in Lacs)

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Associate Company	Entities Controlled By Directors & their relatives	Total
<b>A. Transactions during the year</b>						
<b>(i) Purchases/Services availed during the year</b>						
Bhasin & Co	– (–)	– (–)	– (–)	– (–)	12.13 (1.86)	12.13 (1.86)
Aria Hotels and Consultancy Services Private Limited *	54.60 (–)	– –	– –	– –	– –	54.60 (–)
<b>(ii) Sales/Services Provided during the year</b>						
Eden Park Hotels Pvt. Ltd	– (–)	– (–)	– (–)	– (–)	– (0.47)	– (0.47)
Aria Hotels and Consultancy Services Private Limited	18.75 (6.17)	– (–)	– (–)	– (–)	– (–)	18.75 (6.17)
Inovia Hotels & Resorts Limited	16.32 (25.42)	– (–)	– (–)	– (–)	– (–)	16.32 (25.42)
<b>(iii) Expenses Paid</b>						
Eden Park Hotels Private Ltd	– (–)	– (–)	– (–)	– (–)	10.52 (45.99)	10.52 (45.99)
<b>(iv) Reimbursement of Expenses</b>						
Aria Hotels and Consultancy Services Private Limited	4.11 (–)	– (–)	– (–)	– (–)	– (–)	4.11 (–)
<b>(v) Advances Given</b>						
Inovia Hotels & Resorts Limited	200.00 (442.00)	– (–)	– (–)	– (–)	– (–)	200.00 (442.00)
<b>(vi) Advances Received Back</b>						
Inovia Hotels & Resorts Limited	642.00 (–)	– (–)	– (–)	– (–)	– (–)	642.00 (–)

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in Lacs)

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Associate Company	Entities Controlled By Directors & their relatives	Total
<b>(vii) Advances Received &amp; Repaid</b>						
Mr. Sushil Kumar Gupta	– (–)	<b>315.00</b> (–)	– (–)	– (–)	– (–)	<b>315.00</b> (–)
M/s Chaman Lal S. Gupta	– (–)	– (–)	– (–)	– (–)	<b>170.00</b> (–)	<b>170.00</b> (–)
Mrs. Vinita Gupta	– (–)	– (–)	<b>75.00</b> (–)	– (–)	– (–)	<b>75.00</b> (–)
Mr. Sandeep Gupta	– (–)	<b>1.87</b> (–)	– (–)	– (–)	– (–)	<b>1.87</b> (–)
<b>(viii) Advances Received &amp; Repaid</b>						
Mr. Sushil Kumar Gupta	– (–)	<b>99.52</b> (95.68)	– (–)	– (–)	– (–)	<b>99.52</b> (95.68)
Mr. Sudhir Chamanlal Gupta	– (–)	<b>86.40</b> (82.56)	– (–)	– (–)	– (–)	<b>86.40</b> (82.56)
Mr. Sandeep Gupta	– (–)	<b>86.40</b> (82.56)	– (–)	– (–)	– (–)	<b>86.40</b> (82.56)
<b>(ix) Investment during the year in Subsidiary Company</b>						
Aria Hotels and Consultancy Services Private Limited – Optionally Convertible Preference Shares	<b>4,350.00</b> (–)	– (–)	– (–)	– (–)	– (–)	<b>4,350.00</b> (–)
<b>B. Balances outstanding at the year end</b>						
<b>(i) Account Payable</b>						
Bhasin & Co.	– (–)	– (–)	– (–)	– (–)	– (0.13)	– (0.13)
Aria Hotels and Consultancy Services Private Limited	<b>29.84</b> (–)	– (–)	– (–)	– (–)	– (–)	<b>29.84</b> (–)
<b>(ii) Advance Receivable/Security deposit</b>						
Inova Hotels & Resorts Limited	– (464.88)	– (–)	– (–)	– (–)	– (–)	– (464.88)
Aria Hotels and Consultancy Services Private Limited against Security Deposit paid for office space/ commercial space on Lease	<b>3,925.99</b> (3,925.99)	– (–)	– (–)	– (–)	– (–)	<b>3,925.99</b> (3,925.99)
<b>(iii) Investment in Equity / Preference</b>						
Inova Hotels & Resorts Limited	– (2041.66)	– (–)	– (–)	– (–)	– (–)	– (2041.66)
Aria Hotels and Consultancy Services Private Limited – Preference Shares/Equity	<b>16,851.00</b> (12,501.01)	– (–)	– (–)	– (–)	– (–)	<b>16,851.00</b> (12,501.01)

\* Service Tax portion reimbursed to Aria Hotels and Consultancy Services Private Limited by Company

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 39. Dividend

The Board of Directors have proposed a Dividend of 15% (Previous Year 20% ) i.e. dividend of Rs. 1.50 /- per equity share (Previous Year Rs. 2/- per share) subject to approval of the shareholders at the ensuing Annual General Meeting.

### 40. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of information available with the company:

(Rs. in Lacs)

Particulars	2013-14	2012-13
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	14.24	10.22
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
<b>Total</b>	<b>14.24</b>	<b>10.22</b>

### 41. Earning Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

S. No.	Particulars	Units	Year ended March 31, 2014	Year ended March 31, 2013
a.	Net profit/ (loss) after tax	Rs./ Lacs	(502.74)	763.15
b.	Weighted average of number of equity shares used in computing basic earnings per share	No.	11,458,303	11,458,303
c.	Basic earnings per share	Rs.	(4.39)	6.66
d.	Weighted average of number of equity shares including potential dilutive shares	No.	11,458,303	11,458,303
e.	Diluted earnings per share	Rs.	(4.39)	6.66

The investor namely the IL&FS group in the Subsidiary Company Aria Hotels and Consultancy Services Pvt. Ltd. has one of the exit options to acquire the shares of the Company at a later date. However, since the option is not exclusive and subject to certain conditions/ approvals, with number of shares not being determined, impact of future dilutive potential equity shares has not been considered in calculating diluted earning per share.

### 42. Details of share held as Stock- in- trade is as under:

(Rs. in Lacs)

Name of the Company	No. of Shares		Cost/Market Value whichever is lower	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
ICICI Bank Limited	70	70	0.87	0.73
Reliance Capital Limited	500	500	1.73	1.56
State Bank of India	27	27	0.52	0.56
<b>Total</b>			<b>3.12</b>	<b>2.85</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 43. Foreign Currency Exposures

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Rs. in Lacs
Accounts payable	USD	481,965	294.00
		(551,326)	(299.86)

There is no hedged foreign currency exposure.

Figures in brackets relate to the previous year.

### 44. (a) C.I.F. Value of Imports

(Rs. in Lacs)

S. No. Particulars	As at March 31, 2014	As at March 31, 2013
a. Food & Beverages - through canalising agencies	69.25	61.98
b. Stores & Spares	102.99	126.31
c. Capital Goods	23.96	47.12
d. Beverages- through canalizing agencies	156.79	95.48

### (b) Expenditure in Foreign Currency - On payment basis

(Rs. in Lacs)

S. No. Particulars	Year ended March 31, 2014	Year ended March 31, 2013
a. Technical services	322.89	478.93
b. Advertisement & Publicity	18.13	19.24
c. Commission & Brokerage	223.34	421.28
d. Training & Recruitment	15.92	21.88
e. Others	610.43	340.31

### (c) Earnings in Foreign Exchange

(Rs. in Lacs)

S. No. Particulars	Year ended March 31, 2014	Year ended March 31, 2013
a. On Receipt basis	6,936.28	6,453.70

45. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

### AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner

Membership No. 89907

Place : New Delhi

Dated : May 28th, 2014

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

1	Name of the Subsidiary	Aria Hotels and Consultancy Services Private Limited
2	Financial Year of the Subsidiary ended on	31st March, 2014
3	Date from which it became Subsidiary	31st October, 2009
4	a) No. of shares of the Subsidiary held by the Holding Company in its own name / name of nominee at the end of the financial year of the Subsidiary.	5,96,010,000 (Equity shares of Rs. 10 each)
	b) Extent of interest of the Holding Company at the end of the financial year of the Subsidiary.	81.58%
5	The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the members of the Holding Company and is not dealt with in the Holdings Company's Accounts;	
	i. for the Subsidiary's financial year ended on March 31st, 2014	Rs. (1397.75) Lacs
	ii. for prior years since becoming subsidiary	Rs. (741.96) Lacs
6	The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the member of the Holding Company and has been dealt with in the Holdings Company's Accounts:	
	i. for the subsidiary's financial year ended on March 31st, 2014	NIL
	ii. for prior years since becoming subsidiary	NIL
7.	Changes if any, in the Holding Company's interest in the subsidiary between the end of financial year of the subsidiary and the end of financial year of holding Company.	Not Applicable
8.	Details of material changes, if any, which occurred between the end of financial year of the subsidiary and the end of financial year of the Holding company, in respect of :	Not Applicable
	a) The subsidiary's Fixed Assets	
	b) The subsidiary's Investments	
	c) The moneys lent by	
	d) The moneys borrowed by if for any purpose other than that of meeting current liabilities	

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director  
DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883

Place : New Delhi  
Dated : May 28th, 2014

### Summary of Financial Information of Subsidiary as on 31st March, 2014

Rs. in Lacs

Particulars	Aria Hotels and Consultancy Services Pvt. Ltd.
Capital	10,874.08
Reserves	11,323.11
Total Liabilities	70,048.97
Total Assets	92,246.18
Investments	Nil
Total Income	864.02
Profit before taxation	(1,713.37)
Provision for taxation	Nil
Profit after taxation	(1,713.37)
Proposed/ Interim Dividend	Nil

# ASIAN HOTELS (WEST) LIMITED

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## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF ASIAN HOTELS (WEST) LIMITED AND ITS SUBSIDIARY

To the Board of Directors of Asian Hotels (West) Limited

### Report on the Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Asian Hotels (West) Limited** ('the Company'), and its subsidiaries ('the Group') which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and Notes to Financial Statements comprising of summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Group as at March 31, 2014;
- ii. In case of Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- iii. In case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Other Matter

We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 92,246.17 lacs (Previous Year Rs. 82,376.59 lacs) as at March 31, 2014, total revenues of Rs. 1,017.49 lacs (Previous Year Rs. 600.30 lacs) and net cash flows of Rs. (-) 37.02 lacs (Previous Year Rs. (-) 182.03 lacs) for the year then ended. Financial statements of one subsidiary have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of that subsidiaries, is based solely on the report of the other auditors.

However, financial statements of other subsidiary which reflects total revenues of Rs. 153.47 lacs (Previous Year 589.28 lacs) for the year ended March 31, 2014, have been drawn up from the management certified financial statements and have not been audited by their auditors.

Our Opinion is not qualified in respect of this matter.

**For S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 00756N

**ARUN K. TULSIAN**  
Partner  
Membership No.: 89907

Dated : May 28, 2014  
Place : New Delhi



# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

(Rs. in Lacs)

	NOTES	As at March 31, 2014		As at March 31, 2013	
<b>EQUITY AND LIABILITIES</b>					
<b>1. SHAREHOLDERS' FUNDS</b>					
a. Share Capital	2	1,145.83		1,145.83	
b. Reserves and Surplus	3	28,754.78	29,900.61	29,562.69	30,708.52
			4,514.91		5,411.87
<b>2. MINORITY INTEREST</b>					
<b>3. NON-CURRENT LIABILITIES</b>					
a. Long-term Borrowings	4	58,550.09		57,353.82	
b. Deferred Tax Liabilities (Net)	5	3,083.87		2,998.93	
c. Other Long term Liabilities	6	9,235.86		6,431.58	
d. Long Term Provisions	7	361.85	71,231.67	260.05	67,044.38
<b>4. CURRENT LIABILITIES</b>					
a. Short Term Borrowings	8	2,486.73		362.42	
b. Trade Payables	9	1,112.52		521.61	
c. Other Current Liabilities	10	11,061.68		7,178.81	
d. Short Term Provisions	7	333.00	14,993.93	432.31	8,495.15
			120,641.12		111,659.92
<b>ASSETS</b>					
<b>5. NON-CURRENT ASSETS</b>					
a. <b>Fixed assets</b>	11				
i. Tangible Assets		102,692.30		32,509.55	
ii. Intangible Assets		299.61		5.70	
iii. Capital work-in-progress		182.56	103,174.47	60,422.72	92,937.97
b. Long Term Loans and Advances	12	13,087.64		14,742.70	
c. Other Non Current assets	17	3.39	13,091.03	103.54	14,846.24
<b>6. CURRENT ASSETS</b>					
a. Current Investments	13	0.13		–	
b. Inventories	14	1,244.94		937.86	
c. Trade Receivables	15	1,277.70		499.14	
d. Cash and Cash Equivalents	16	437.89		451.26	
e. Short-term Loans and Advances	12	1,377.91		1,926.26	
f. Other Current Assets	17	37.05	4,375.62	61.19	3,875.71
			120,641.12		111,659.92
<b>SIGNIFICANT ACCOUNTING POLICIES</b>					
1					

Accompanying notes form an integral part of the Financial Statements

AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner

Membership No. 89907

Place : New Delhi

Dated : May 28th, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(Rs. in Lacs)

	NOTES	Year ended March 31, 2014	Year ended March 31, 2013
<b>1. INCOME</b>			
a. Revenue From Operations	18	13,969.63	13,555.20
Less : Excise Duty		7.14	8.36
		<u>13,962.49</u>	<u>13,546.84</u>
b. Other Income	19	30.55	120.35
<b>Total Revenue</b>		<u>13,993.04</u>	<u>13,667.19</u>
<b>2. EXPENSES</b>			
a. Consumption of Provisions, Beverages, Smokes and Others	20	1,309.96	1,272.15
b. Employee Benefit Expenses	21	3,633.36	3,623.26
c. Finance Cost	22	2,538.59	2,105.13
d. Depreciation and Amortization	11	1,085.82	1,197.73
e. Other Expenses	23	6,684.13	5,586.32
<b>Total Expenses</b>		<u>15,251.86</u>	<u>13,784.59</u>
<b>3. Profit / (Loss) Before Tax and Exceptional Items</b>		<b>(1,258.81)</b>	<b>(117.40)</b>
Less - Exceptional Items (Net Gain/(Loss))	29	859.91	–
Less: Adjustment on Consolidation		(168.13)	–
<b>4. Profit / (Loss) Before Tax</b>		<b>(1,950.59)</b>	<b>(117.40)</b>
<b>5. Tax expense</b>			
i. Current Tax		139.00	455.20
ii. Earlier Year Tax		41.56	–
iii. Deferred Tax charge/(Credit)		84.93	147.88
		<u>265.49</u>	<u>603.08</u>
<b>6. Profit / (Loss) After Tax</b>		<b>(2,216.08)</b>	<b>(720.48)</b>
<b>Minority Share of Profit/(Loss)</b>		<b>(315.60)</b>	<b>(454.79)</b>
<b>7. Profit / (Loss) for the Year</b>		<b>(1,900.48)</b>	<b>(265.69)</b>
<b>Earning per Equity Share (Nominal value per Share Rs. 10/-) (Refer Note No 39)</b>			
i. Basic		(16.59)	(2.32)
ii. Diluted		(16.59)	(2.32)

### SIGNIFICANT ACCOUNTING POLICIES

1

Accompanying notes form an integral part of the Financial Statements.

### AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner

Membership No. 89907

Place : New Delhi

Dated : May 28th, 2014

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	2013-14 Rs.in lacs	2012-13 Rs.in lacs
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>[a] Net Profit before Tax</b>	(1,950.59)	(117.39)
Adjustment for:		
Depreciation	1,085.82	1,197.73
(Profit)/Loss on sale of fixed assets	46.34	(46.61)
Loss on Sale of Investment	859.91	-
Dividend Income on Investment	(0.56)	(36.72)
Interest Paid	2,499.20	6,833.48
Interest Earned	(9.13)	(21.77)
	<u>4,481.57</u>	<u>7,926.11</u>
<b>[b] Operating profit before working capital charges</b>	<b>2,530.98</b>	<b>7,808.72</b>
Adjustments for:		
(Increase)/Decrease in Inventories	(307.08)	(585.98)
(Increase)/Decrease in Trade Receivables	(778.56)	183.77
(Increase)/Decrease in Loans and Advances	838.22	(34.49)
Increase/(Decrease) in Trade Payables	590.91	(140.71)
Increase/(Decrease) in Provisions and Other Liabilities	7,164.50	5,026.60
	<u>7,507.99</u>	<u>4,449.19</u>
<b>[c] Cash generated from operations</b>	<b>10,038.97</b>	<b>12,257.90</b>
Direct taxes paid (Net)	(386.43)	(448.28)
<b>Net cash from Operating Activities (A)</b>	<b>9,652.54</b>	<b>11,809.62</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(76,864.90)	(533.63)
Capital Work in Progress		
Deduction/( addition) during the year	60,240.16	(25,605.89)
Increase/(Decrease) in advance for capital goods	1,875.90	2,377.15
Sale of fixed assets	5,256.10	895.91
Sale/(Purchase) of Investments	(147.73)	831.00
Dividend/ Interest Income on Investment	0.56	36.72
<b>Net Cash from Investing Activities (B)</b>	<b>(9,639.92)</b>	<b>(21,998.74)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed/(Repayment of Long Term Borrowing)	(148.50)	(2,689.45)
Proceed/(Repayment of Short Term Borrowing)	2,124.31	19,392.48
Interest Paid (capitalised)	-	(4,802.39)
Interest Paid	(2,010.93)	(1,935.70)
Interest Earned	9.13	21.77
<b>Net Cash from Financing activities [C]</b>	<b>(25.99)</b>	<b>9,986.71</b>
<b>Net Increase/ (Decrease) in Cash Equivalent [A+B+C]</b>	<b>(13.37)</b>	<b>(202.41)</b>
Cash and Cash equivalent (Beginning of the year)	451.26	653.67
Cash and Cash equivalent (End of the year)	437.89	451.26

### Notes:

- 1 Figures in bracket represent Cash Outflow.
- 2 Previous Year's figures have been regrouped/rearranged wherever necessary.

### AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

Place : New Delhi  
Dated : May 28th, 2014

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**  
Chairman &  
Managing Director  
DIN : 00006165  
**RAKESH KUMAR AGGARWAL**  
Chief Financial Officer

**SANDEEP GUPTA**  
Executive  
(Whole-Time) Director  
DIN : 00057942  
**NIKHIL SETHI**  
Company Secretary  
Membership No. A-18883

# ASIAN HOTELS (WEST) LIMITED

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE: 1

#### 1. SIGNIFICANT ACCOUNTING POLICIES:

##### a. Basis of Accounting

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) read with General Circular No. 15/2013 dated 13th September, 2013 and General Circular No. 8/2014 dated 4th April 2014 issued by Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company.

##### b. Use of Estimates

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles requiring management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

##### c. Revenue Recognition

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

- i. Revenue from rendering of hospitality services is recognized when the related services are performed.
- ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. Dividend income from investments is recognized when the Company's right to receive payment is established.
- iv. Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

##### d. Income in Foreign Exchange

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

##### e. Interest on Income Tax Refunds / Demands

It is accounted for as income in the year when granted and as tax expense when determined by the tax authorities.

##### f. Claims Recoverable

Claims recoverable are accrued only to the extent as admitted by the parties.

##### g. Expenses remittable in foreign exchange

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

##### h. Foreign Exchange Transactions

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year-end are translated at the year-end rates resulting in exchange differences being recognized as income /expenses (net).

Foreign Currency balances at the year-end are converted at the year-end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

##### i. Employee Benefits

- i. Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by approved actuary using projected unit credit method.
- ii. All employees are covered under contributory provident fund benefit of a contribution of specified percentage of salary. It is a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

##### j. Taxation

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

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- ii. Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).
- iii. Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
- iv. Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

### k. Fixed Assets and Depreciation

#### i. Fixed Assets

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

#### ii. Depreciation

- a. Depreciation as per straight line method is charged in the accounts.
- b. The charge is on the basis of rates as prescribed under Schedule XIV to the Companies Act, 1956 pro rata from the month of purchase. If the asset is purchased on or before the 15th of month, depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.

### l. Investments

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

### m. Inventory

- i. Inventory is valued at cost or net realizable value, whichever is lower.
- ii. Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- iii. Shares held as Stock- in -trade are valued at cost or market value whichever is lower.
- iv. Net realizable value is estimated selling/ realizable value in the normal course of business less cost of completing the sale.

Cost is determined on weighted average basis.

### n. Leases

#### When the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### When the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### o. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, each asset/ group of assets is identified for which there are separately identifiable cash flows (cash generating units).

### p. Earnings per share

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

**q. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank, cash/ cheques in hand and fixed deposits with banks with maturity period of three months or less.

**r. Dividend**

Dividend proposed on equity shares, if any, is accounted for pending approval at the Annual General Meeting.

**s. Provisions and contingent liabilities**

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

**t. Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

**u. Principles of Consolidation**

The Consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) – “Consolidated Financial Statements”. The Consolidated financial statements comprise the financial statements of Asian Hotels (West) Limited and its subsidiary Aria Hotels & Consultancy Services Private Limited (Aria) (81.58% Stake), Incorporated in India and operating results of Invoa Hotels & Resorts limited (Invoa) (50.50% Stake), another subsidiary incorporated in India for the period ended July 04, 2013.

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs

**NOTE -2**

**SHARE CAPITAL**

**AUTHORISED**

i. 14,000,000 (Previous year 14,000,000) Equity Shares of Rs. 10/- each	1,400.00	1,400.00
ii. 11,000,000 (Previous year 11,000,000) Preference Shares of Rs. 10/- each	1,100.00	1,100.00
	<b>2,500.00</b>	<b>2,500.00</b>

**ISSUED, SUBSCRIBED & PAID UP**

i. 11,458,303 (Previous year 11,458,303) Equity Shares of Rs. 10/-each fully paid up*	1,145.83	1,145.83
	<b>1,145.83</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 date January 13, 2010.

**a. Reconciliation of the Shares outstanding at the beginning and at the end of reporting period**

	As at March 31, 2014		As at March 31, 2013	
	No of Shares	Rs. in lacs	No of Shares	Rs. in lacs
<b>i. Equity Shares of Rs 10/- each fully paid up</b>				
Balance at the beginning of the year	11,458,303	1,145.83	11,458,303	1,145.83
Add: Issued during the year			-	-
<b>Balance at the end of the year</b>	<b>11,458,303</b>	<b>1,145.83</b>	11,458,303	1,145.83

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### b. Rights, restrictions and preferences attached to each class of Share

The Company has two class of Shares i.e Equity and Preference having a nominal value of Rs. 10/- each. Each holder of Equity Shares is entitled to one vote per share. 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.

### c. Details of Shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2014		As at March 31, 2013	
	No of Shares	% holding	No of Shares	% holding
D.S.O. Limited	5,336,880	46.58	5,336,880	46.58
	As at March 31, 2014		As at March 31, 2013	
	Rs. in lacs		Rs. in lacs	

### NOTE - 3

#### RESERVES & SURPLUS

##### A. Capital Reserve on Consolidation

Balance at the beginning of the year	2,289.57		2,289.57	
Add : Adjustment on Consolidation	685.04	2,974.61	–	2,289.57

##### B. Capital Redemption Reserve

Balance at the beginning of the year	990.00		990.00	
Add: Transferred during the year	–	990.00		990.00

##### C. Debenture Redemption Reserve

Balance at the beginning of the year	1,581.25		518.75	
Less: Transferred to Statement of Profit & Loss	(450.00)	1,131.25	1,062.50	1,581.25

##### D. Securities Premium Reserve

Balance at the beginning of the year	144.36		144.36	
Add: Received during the year	–		–	
Less: Expenses incurred on issue of shares	–	144.36	–	144.36

##### E. General Reserve

Balance at the beginning of the year	15,653.24		15,596.00	
Add: Transfer from Debenture Redemption Reserve	450.00		–	
Add: Transfer from Statement of Profit & Loss	–	16,103.24	57.24	15,653.24

#### Surplus/(Deficit) in the Statement of Profit and Loss

Balance at the beginning of the year	8,904.27		10,557.82	
Add: Profit for the year	(1,900.48)		(265.69)	
Add: Adjustment on Consolidation	608.61		–	
Amount available for appropriation	7,612.40		10,292.13	

#### Less: Appropriations

a. Transfer to General Reserve	–		57.24	
b. Proposed Dividend on Equity Shares	171.87		229.17	
c. Dividend Distribution tax	29.21		38.95	
d. Transfer to Debenture Redemption Reserve	–	7,411.32	1,062.50	8,904.27
		<b>28,754.78</b>		<b>29,562.69</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs. in lacs

	As at March 31, 2014			As at March 31, 2013		
	Non-Current	Current	Total	Non-Current	Current	Total
<b>NOTE - 4</b>						
<b>LONG-TERM BORROWINGS</b>						
<b>A Secured</b>						
<b>a. Debentures</b>						
i. Non Convertible Debentures of Rs. 10 lacs each#	2,625.00	1,900.00	4,525.00	4,525.00	1,800.00	6,325.00
<b>b. Term Loans from</b>						
i. Banks*	54,095.18	1,174.69	55,269.87	52,685.33	2,809.36	55,494.69
ii. Banks - Vehicle Loans **	107.41	56.97	164.38	143.49	89.07	232.56
<b>c. License Fee Discounting Loan***</b>	<b>1,722.50</b>	<b>222.00</b>	<b>1,944.50</b>	-	-	-
<b>Total</b>	<b>58,550.09</b>	<b>3,353.66</b>	<b>61,903.75</b>	<b>57,353.82</b>	<b>4,698.43</b>	<b>62,052.25</b>
Amount disclosed under the head "Other Current Liabilities" Refer Note No - 10 as :						
Current Maturities of Long-Term Debts	-	(3,353.66)	(3,353.66)	-	(4,698.43)	(4,698.43)
<b>Total</b>	<b>-</b>	<b>(3,353.66)</b>	<b>(3,353.66)</b>	<b>-</b>	<b>(4,698.43)</b>	<b>(4,698.43)</b>
<b>Net Amount</b>	<b>58,550.09</b>	<b>-</b>	<b>58,550.09</b>	<b>57,353.82</b>	<b>-</b>	<b>57,353.82</b>

### Nature of Security and Terms of Repayment

#### Debentures

# 1,000 rated, taxable, secured, redeemable, non-convertible debentures (NCD) of Rs.10 lacs each aggregating to Rs.10,000 lacs were issued to Kotak Mahindra Bank Limited on private placement basis on June 25, 2010. M/s IDBI Trusteeship Services Limited, Mumbai was appointed as the Debenture Trustee to the aforesaid NCD's. The rate of interest on these NCDs has been linked to Kotak Mahindra Banks Prime lending Rate (PLR) less 5% p.a. The outstanding balance of Rs. 4,525 lacs as on March 31,2014 (Previous year 6,325 lacs) is secured by way of first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2014 is repayable in 8 unequal quarterly installments ranging from Rs. 475 lacs to Rs. 660 lacs.

#### Term Loans

\* The outstanding balance of Rs. 1,800 lacs as on March 31,2014 (Previous year 2,800 lacs) out of sanctioned loan of Rs. 4,500 lacs is secured by way of first pari passu charge on all existing and future moveable fixed assets and immovable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2014 is repayable in 8 unequal quarterly installments ranging from Rs. 175 lacs to Rs. 275 lacs.

\* The Company has availed loan of Rs. 3,983.84 Lacs (Previous Year Rs. 3,384.97 lacs) against sanctioned limit of Rs.4,000 Lacs. It is repayable in 24 unequal quarterly installments starting from September 2014 ranging from Rs. 21.15 Lacs to Rs. 200.98 Lacs.

\* During the year, the Company was Sanctioned additional borrowing facilities aggregating to Rs. 3500.00 Lacs from the Kotak Mahindra Prime Limited out of which Company has availed Rs. 3500.00 lacs as on 31st March, 2014 repayable by way of 50 unequal quarterly installments starting from Jan. 2015 ranging from Rs.50.00 Lacs to Rs. 70.83 Lacs.

The above facilities are inter alia secured by first pari passu charge on all existing and future moveable fixed assets and immovable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director.

\* Term loans obtained from Consortium of banks with the Union Bank of India as lead bank amounting to Rs. 45006 Lacs is being restructured w.e.f. January 01, 2014 (i.e. Cut off Date) carrying interest reset at Base Rate + 3.25% i.e. 13.5% p.a. from the cut off date or such other date as may be notified, interest on restructured Term Loans is funded by Funded Interest Term Loan i.e. FITL amounting to 9125 Lacs for 18 months from the Cut off date upto 30th June 2015. Term loans include funded interest amounting to Rs. 1498 Lacs upto 31st March 2014. Interest on restructured Term Loan are to be serviced as and when due.

The restructured term loans are repayable in 52 structured unequal quarterly installments , as per the repayment schedule, the first installment is payable from 31st March 2016 and FITL is repayable in 28 structured unequal quarterly installments, as per the repayment schedule , the first installment is payable from September 30, 2015.



# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Secured Term Loans and FITL are secured by 1st pari passu charge on the under mentioned :

- (a) A first mortgage and charge on all the Company'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 License Fee Discounting loan as below and excluding change in commercial space Licensed / to be Licensed on long term basis covering 45% of total commercial area being sublet for a long period i.e. Non-cancellable tenure of > 15 years). The Company is in the process of filing necessary modification of charge in this regard.
  - (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;
  - (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 Company 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 Company in, to and under the Project Documents;
    - (ii) of the right, title and interest of the Company in, to and under all the contracts, the approvals and Insurance Contracts; and
    - (iii) of the right, title and interest of the Company 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 Company as per the Development Agreement between DIAL and the Company dated July 4, 2009
  - (h) Irrevocable and unconditional personal guarantee of Mr. Sushil Kumar Gupta, Chairman and Managing Director
- \*\* The outstanding balance of Rs. 164.39 lacs as on March 31, 2014 (Previous year 232.44 lacs) from bank/corporate body against Vehicle / Equipment loans are secured by hypothecation of vehicles and equipments. The outstanding balance as on March 31, 2014 is repayable upto January, 2019 on monthly installments ranging from Rs.0.46 lacs to Rs. 1.07 lacs.
- \*\*\* License Fee Discounting Loan from Union Bank of India is secured by first pasri-passu charge over fixed assets of the Company and priority charge over License Fee receivables from three of its sub-licensees by the loan, repayable in 108 monthly installments i.e. Rs. 0.185 crores every month, the first installment is payable from 31st January, 2014. The loan carried interest rate of 13.50% p.a. fixed upto 31<sup>st</sup> December 2013, reset w.e.f. 1st January 2014 to 12.50% p.a. fixed payable monthly.
- The Company has not defaulted in repayment of principal/interest on loans in view of the restructuring approved by the Consortium of Banks.

(Rs. in Lacs)

	As at March 31, 2014	Charge/ (Credit) during the year	As at March 31, 2013
<b>NOTE- 5</b>			
<b>DEFERRED TAX LIABILITIES (NET)</b>			
<b>A. Deferred Tax Liabilities</b>			
i. Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	3,203.99	74.16	3,129.82
	<b>3,203.99</b>	<b>74.16</b>	<b>3,129.82</b>
<b>B. Deferred Tax Assets</b>			
i. Impact of expenses for retirement benefits charged to the statement of profit and loss in the current year but allowed for tax in future years	116.37	(1.76)	114.61
ii. Impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	3.75	12.53	16.28
	<b>120.12</b>	<b>10.77</b>	<b>130.89</b>
<b>Net Deferred Tax Liability</b>	<b>3,083.87</b>	<b>84.93</b>	<b>2,998.93</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs
<b>NOTE - 6</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
i. Security Deposits*	9,235.86	6,382.56
ii. Earnout Advances**	-	48.02
iii. Earnest Money Received	-	1.00
	<b>9,235.86</b>	<b>6,431.58</b>

\* Security deposit received represents interest free long term security deposit received against sub-license agreements for commercial space in hotel premises.

\*\* In the previous year, Earnout amount was an advance amount received by IHRL from Choice International for selling Company's shareholding in Choice Hospitality (India ) Pvt Ltd to Choice International. The said amount was advance consideration received for the aforesaid transaction and was to be determined on the basis of financial results of Choice Hospitality (India) Pvt Ltd for the financial year 2014-15.

	As at March 31, 2014		As at March 31, 2013	
	Non Current	Current	Non Current	Current
<b>NOTE - 7</b>				
<b>PROVISIONS</b>				
<b>A. Provision for employee benefits</b>				
i. Gratuity (Refer Note No. 36)	212.69	105.00	179.30	103.81
ii. Leave Encashment (Refer Note No. 36)	89.14	26.92	80.75	17.37
<b>B. Other Provisions</b>				
i. Provision for Taxation (Net of Advance Income Tax and TDS Nil (Previous Year Rs. 2,178.20 lacs)	-	-	-	43.01
ii. Proposed Dividend (including Dividend Distribution Tax)	-	201.08	-	268.12
iii. Rent Equalisation Payable	60.02	-	-	-
	<b>361.85</b>	<b>333.00</b>	260.05	432.31

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 8

#### SHORT TERM BORROWINGS

##### Secured :

Loans repayable on Demand-From Banks on Cash Credit (secured)*	936.73	362.42
Working Capital Demand Loan***	1,000.00	

##### Unsecured :

Loans and Advances from the related parties**	550.00	-
<b>Total</b>	<b>2,486.73</b>	<b>362.42</b>

\* The outstanding balance of Rs. 293.18 lacs as on March 31,2014 (Previous year 284.36 lacs) out of sanctioned limit of Rs. 500 lacs is secured by way of exclusive charge on all existing and future current assets of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr Sushil Kumar Gupta, Chairman and Managing Director.

\* Outstanding balance of Rs. 643.55 Lacs (previous year Nil) is Secured by first charge by way of hypothecation on current assets and second charge on 'immovable property.

\* The outstanding balance of Rs. NIL (Previous year Rs 78.76 lacs) is secured against first and exclusive hypothecation charge on all existing and future current and movable assets of the borrower (both present and future). First & exclusive charge on all that piece

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

and parcel of land bearing survey no. 23, now bearing corporation No. 1577 and admeasuring 34450 square feet and situated in kundalahalli village, Krishnarajapuram, installations, fitments and plant & machinery, if any, affixed to the earth or permanently affixed to something attached to the earth. The loan is secured by personal guarantee of one of the director and Corporate guarantee of the holding Company.

\*\* Includes due to

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs
- Director	275.00	-
- Firm in which the director is a partner	125.00	-
- Relatives of the Director	150.00	-

\*\*\* Working Capital Demand Loan is secured by first charge by way of hypothecation on current assets and second charge on the immovable property, repayable in 4 quarterly installments during financial year 2014-15, the first installment is payable from 30th June, 2014. The loan carried interest of 13.50% p.a. fixed upto 31st December 2013 , reset w.e.f. 1st January 2014 to 12.50% p.a. fixed payable monthly.

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 9

#### TRADE PAYABLES

Trade Payables*	1,112.52	521.61
<b>Total</b>	<b>1,112.52</b>	<b>521.61</b>
* Includes due to Micro, Small and Medium enterprises (to the extent information is available with the company)	14.24	10.22

### NOTE - 10

#### OTHER CURRENT LIABILITIES

a. Current Maturities of Long-term debt	3,353.66	4,698.43
b. Share Application Money pending refund	418.65	-
c. Sundry Creditors for Capital Goods ( including retention money)	3,509.59	547.10
– Retention money	1,225.52	547.10
– Others	2,284.07	-
d. Advance From Customers	284.59	275.74
e. Advance Received for transfer of Commercial Space under Lease	50.00	-
f. Unpaid Dividend*	18.29	14.93
g. Interest accrued but not due	688.63	200.36
h. Book Overdraft	117.06	-
i. Others	33.29	-
j. <b>Other Payables</b>		
i. Withholding & Other Taxes	815.10	516.31
ii. Expenses	1,532.93	751.15
iii. Accrued Salaries & Benefits	239.90	154.33
iv. Security Deposits	-	20.46
<b>Total</b>	<b>11,061.68</b>	<b>7,178.81</b>

\* There are no amounts due and outstanding to be credited to the Investor Education & Protection Fund.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE - 11 FIXED ASSETS

(Rs. in Lacs)

Particulars	Tangible Assets							Intangible Assets		Capital Work In Progress**
	Land - Freehold	Land - Leasehold	Buildings	Furniture & Fixture & Furnishings	Plant & Machinery	Vehicles	Total	Software	Total	
<b>Gross Block</b>										
<b>As At March 31, 2012</b>	<b>11,113.67</b>		<b>17,637.71</b>	<b>3,147.67</b>	<b>10,518.67</b>	<b>594.46</b>	<b>43,012.15</b>	<b>10.40</b>	<b>10.40</b>	<b>34,847.27</b>
Additions	–	3.78	82.23	0.64	156.89	290.10	533.63	–	–	25,575.45
Sales /Adjustment /Transfer	781.91		10.33	0.98	117.97	53.31	964.49	–	–	–
<b>As At March 31, 2013</b>	<b>10,331.76</b>	<b>3.78</b>	<b>17,709.61</b>	<b>3,147.33</b>	<b>10,557.59</b>	<b>831.26</b>	<b>42,581.29</b>	<b>10.40</b>	<b>10.40</b>	<b>60,422.72</b>
Additions	10.31	–	47,779.51	8,511.12	20,211.18	48.98	76,561.11	303.79	303.79	40.01
Sales /Adjustment /Transfer	1,044.45	–	2,854.23	421.05	1,487.33	63.81	5,870.87	10.40	10.40	60,280.17
<b>As At March 31, 2014</b>	<b>9,297.62</b>	<b>3.78</b>	<b>62,634.89</b>	<b>11,237.40</b>	<b>29,281.44</b>	<b>816.43</b>	<b>113,271.53</b>	<b>303.79</b>	<b>303.79</b>	<b>182.56</b>
<b>Depreciation</b>										
<b>As at March 31, 2012</b>	–		<b>2,223.72</b>	<b>2,275.91</b>	<b>4,193.69</b>	<b>297.51</b>	<b>8,990.83</b>	<b>3.06</b>	<b>3.06</b>	–
Charge for the year	–		288.03	295.88	529.82	82.35	1,196.08	1.64	1.64	
Sales /Adjustment /Transfer	–		1.68	0.90	67.34	45.26	115.18			
<b>As at March 31, 2013</b>	–	–	<b>2,510.07</b>	<b>2,570.89</b>	<b>4,656.17</b>	<b>334.60</b>	<b>10,071.73</b>	<b>4.70</b>	<b>4.70</b>	–
Charge for the year	–	–	319.82	129.28	551.70	80.43	1,081.23	4.59	4.59	–
Sales /Adjustment /Transfer	–	–	127.64	143.84	253.42	48.83	573.73	5.11	5.11	–
<b>As at March 31, 2014</b>	–	–	<b>2,702.25</b>	<b>2,556.33</b>	<b>4,954.45</b>	<b>366.20</b>	<b>10,579.23</b>	<b>4.18</b>	<b>4.18</b>	–
<b>Net Block</b>										
<b>As at March 31, 2013</b>	10,331.76	3.78	15,199.55	576.44	5,901.42	496.66	32,509.55	5.70	5.70	60,422.72
<b>As at March 31, 2014</b>	<b>9,297.62</b>	<b>3.78</b>	<b>59,932.65</b>	<b>8,681.07</b>	<b>24,326.99</b>	<b>450.23</b>	<b>102,692.30</b>	<b>299.61</b>	<b>299.61</b>	<b>182.56</b>

\* Depreciation for the year is net off excess Depreciation earlier years written back amounting to Rs. 14,25,306/- pursuant to change in depreciation policy of the subsidiary, Aria Hotels & Consultancy services Pvt. Ltd. from written down value method to straight line method.

#### \*\*Capital Work-in Progress represents:

	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
	<b>(Rs in lacs)</b>	<b>(Rs in lacs)</b>
Building under construction	<b>94.25</b>	23,517.56
Furniture & Fixtures under erection	<b>14.99</b>	7,204.35
Other Operating Equipment under Installation	<b>8.97</b>	3,336.71
Plumbing & Sanitation	<b>18.28</b>	2,302.97
Air Conditioning under installation	–	1,946.42
Electrification under installation	<b>6.06</b>	3,902.52
Elevators under installation	–	562.41
Laundry and Other Equipments under installation	–	303.34
Expenditure during construction	–	17,224.96
	<b>142.55</b>	<b>60,301.24</b>

All expenses specifically attributable to construction have been accounted for as expenditure during construction. The Company has incurred the following expenditure during Construction.

#### Expenditure during Construction

– Salary & Wages	<b>886.88</b>	542.90
– Gratuity expense	<b>12.69</b>	9.37
– Company contribution to PF	<b>29.66</b>	20.47
– Staff welfare	<b>14.56</b>	8.71
– Contract Labour & Services	<b>174.78</b>	142.46
– Legal & Professional Charges (Including loan processing and arranging fees)	<b>1,407.88</b>	1,335.01
– License Fees for Restaurant	<b>81.33</b>	–
– Rent	<b>51.77</b>	41.08

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2014 (Rs in lacs)	As at March 31, 2013 (Rs in lacs)
– Rates & Taxes	89.23	75.58
– Meeting & Conference	5.71	5.70
– Travelling Directors	29.02	24.09
– Travelling Others	106.90	95.01
– Advertisement for project staff recruitment Expenses	0.04	0.04
– Vehicle Upkeep	37.77	22.51
– Electricity Gas & Water Charges	726.65	306.11
– Communication expenses	9.33	6.29
– Insurance expenses	94.37	46.43
– Interest on Loans	14,568.75	9,074.17
Less: Interest on Fixed Deposit	(97.07)	(97.07)
– Bank Guarantee and other charges	21.11	19.82
– Finance Charges	2.67	2.67
– Miscellaneous Expenses	41.62	33.99
Equipment Hire Charges	72.82	49.74
Freight and Cartage	20.77	19.86
– Licence Fees	3,540.48	2,793.85
– Technical/ Consultancy Fees	113.91	2,627.56
Trial Run Costs	3,744.48	25.72
	<u>25,788.11</u>	<u>17,232.07</u>
<b>Less: Trial Run Revenue</b>		
– Room Revenue	1,358.66	–
– Wine & Liquor	361.51	–
– Food, Beverages and Smoke	1,564.93	–
– Communications	19.76	–
– License Fees	278.10	–
– Others	331.04	7.10
	<u>3,914.01</u>	<u>7.10</u>
<b>Total</b>	<u>21,874.11</u>	<u>17,224.96</u>
Less: Capitalised during the year	<u>21,874.11</u>	–
	–	<u>17,224.96</u>
<b>Trial Run Costs</b>		
Trial Run Consumption		
– Food, Beverages and Smoke	445.04	15.20
– Wine & Liquor	122.89	–
Salary and wages	1,367.93	–
Gratuity	13.45	–
Contribution to Provident Fund and Other Funds	86.83	–
Staff welfare expenses	78.68	–
Linen, Room, Catering and other Supplies/Services	95.67	10.52
Operating Equipments and Supplies written off	36.78	–
Communication expenses	37.93	–
Power Fuel & Water Charges	500.97	–
Membership and Subscription	52.66	–
Printing & stationary	47.55	–
Rates and taxes	49.91	–
Travelling & Conveyance Expenses	184.21	–
Contractual Services	211.25	–
Repair and Maintenance	132.69	–
Equipment Hire Charges	30.15	–

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2014	As at March 31, 2013
	(Rs in lacs)	(Rs in lacs)
Technical Services	120.65	–
Bank Charges	22.95	–
Legal & Professional	18.01	–
Insurance	10.48	–
Rent	0.88	–
Vehicle Upkeep	0.45	–
Miscellaneous	55.27	–
Interest on Cash Credit Facility	21.20	–
	<b>3,744.48</b>	<b>25.72</b>

As at March 31, 2014		As at March 31, 2013	
Non Current	Current	Non Current	Current
Rs. In lacs		Rs. In lacs	

### NOTE - 12

#### LOANS AND ADVANCES (unsecured considered good)

<b>A. Capital Advances*</b>	49.42	–	1,925.32	
<b>B. Security Deposits#</b>	12,879.98	5.33	12,791.33	104.77
<b>C. Others</b>	–	–		
i. Advances recoverable in cash or in kind	–	–		
a. Considered good	–	424.91	17.32	781.61
b. Considered doubtful	–	–	–	–
Less : Provision for doubtful advances	–	–	–	–
ii. Prepaid Expenses	–	311.40	–	238.34
iii. Advance to Suppliers/Contractors	–	174.71	–	285.36
iv. Advance to Employees	9.85	3.86	8.73	8.75
v. Advance Tax (Net of Provision for Tax Rs. 1,176.20 lacs (Previous year NIL))	148.39	–	–	–
vi. Balances with Statutory Authorities	–	457.70	–	507.43
	<b>13,087.64</b>	<b>1,377.91</b>	<b>14,742.70</b>	<b>1,926.26</b>

# In terms of the Development Agreement with DIAL, to secure the payment of the annual Licence Fee and the performance of all other obligations under the Development Agreement, it was agreed to pay to DIAL an interest free Security Deposit of Rs 12742.26 lacs (Previous year Rs 12742.26 lacs) refundable at the expiry of the term of the said Agreement unless extended.

\* Includes due from Edenpark Hotels Private Limited amount Rs. 2.47 lacs (previous year Rs. NIL).

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 13

#### CURRENT INVESTMENTS

Non-Trade Investments (Valued at cost unless stated otherwise)

#### MUTUAL FUND

1305.08 (Previous Year NIL) units of Rs. 10 each of HDFC Cash Management Fund-TAP-Retail	0.13	–
	<b>0.13</b>	<b>–</b>
<b>Cost of quoted investments</b>	<b>0.13</b>	<b>–</b>
<b>Market value of quoted investments</b>	<b>0.13</b>	<b>–</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2014	As at March 31, 2013
	Rs. in lacs	Rs. in lacs
<b>NOTE -14</b>		
<b>INVENTORIES</b>		
(As Taken, Valued and Certified by the Management)		
i. Wines & Liquor	354.35	84.84
ii. Provisions, Other Beverages and Smokes	87.36	30.94
iii. Crockery, Cutlery, Silverware, Linen etc.	704.51	678.52
iv. General Stores and Spares	95.61	140.71
v. Shares in Trade	3.12	2.85
<b>Total</b>	<b>1,244.94</b>	<b>937.86</b>

### NOTE - 15

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

##### A. OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DUE DATE

i. Considered Good	108.41	24.07
ii. Considered Doubtful	-	8.19
Less: Provision for Doubtful Debts	-	(8.19)

##### B. OUTSTANDING FOR A PERIOD LESS THAN SIX MONTHS FROM THE DUE DATE

i. Considered Good	1,169.29	475.07
<b>Total</b>	<b>1,277.70</b>	<b>499.14</b>

As at March 31, 2014		As at March 31, 2013	
Non Current	Current	Non Current	Current
Rs. in lacs		Rs. in lacs	

### NOTE - 16

#### CASH AND CASH EQUIVALENTS

##### A. Cash and Cash Equivalents

i. Balances with banks in Current Accounts	-	315.48	-	343.31
Deposits with original maturity of less than 3 months*	-	0.55	-	7.08
ii. Cash on hand	-	19.39	-	18.57
iii. Cheques in hand	-	44.27	-	19.13
	-	<b>379.69</b>	-	<b>388.09</b>

##### B. Other Bank Balances

i. Dividend Accounts	-	18.29	-	14.93
ii. Margin Money	-	-	92.81	-
iii. Deposits with original maturity for more than 3 months but less than 12 months*	-	39.91	-	48.24
iv. Deposits with original maturity of more than 12 months	-	-	1.45	-
	-	<b>58.20</b>	94.26	63.17

Less : Amount disclosed under Other non current assets (Note 17)

	-	-	94.26	-
	-	<b>437.89</b>	-	<b>451.26</b>

\*includes under lien against bank guarantee issued to

- Asstt./Deputy Commissioner of Customs	-	-	-	13.00
- Indraprastha Gas Limited	-	39.01	-	-
- Value added tax registration	-	0.90	0.90	-

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2014		As at March 31, 2013	
	Non Current	Current	Non Current	Current
	Rs. in lacs		Rs. in lacs	
<b>NOTE - 17</b>				
<b>OTHER ASSETS</b>				
i. Unbilled Revenue	-	36.62	-	60.16
ii. Rent Equalisation Receivable	3.39	-	-	-
iii. Interest accrued on fixed deposits	-	0.43	9.28	1.03
iv. Non Current Bank Balances (Note 16)	-	-	94.26	-
	<b>3.39</b>	<b>37.05</b>	103.54	61.19

	Year ended March 31, 2014	Year ended March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 18

#### REVENUE FROM OPERATIONS

##### SALE OF SERVICES

i. Rooms	8,813.07	8,712.68
ii. Wines and Liquor	663.82	591.68
iii. Food, Other Beverages, Smokes & Banquets	3,578.22	3,410.03
iv. Communications	115.68	123.33
v. Others	798.84	717.48
<b>Total</b>	<b>13,969.63</b>	<b>13,555.20</b>

### NOTE - 19

#### OTHER INCOME

i. Interest Income	9.13	21.76
ii. Dividend on Investments	0.56	36.72
iii. Profit on Sale of Fixed Assets (Net)	-	46.60
iv. Miscellaneous Income	20.86	15.27
<b>Total</b>	<b>30.55</b>	<b>120.35</b>

	Year ended March 31, 2014	Year ended March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 20

#### CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES AND OTHERS

##### A. WINES & LIQUOR

Opening Stock	84.84	129.86
Add : Purchases	601.41	144.04
	<b>686.25</b>	273.90
Less : Closing Stock	356.85	84.84
Less: Trial Run Consumption	122.89	
	<b>206.51</b>	189.06



# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2014	Year ended March 31, 2013
	Rs. in lacs	Rs. in lacs
<b>B. FOOD, PROVISIONS, OTHER BEVERAGES AND SMOKES</b>		
Opening Stock	30.94	33.77
Add : Purchases	1,596.68	1,095.45
	<u>1,627.62</u>	<u>1,129.22</u>
Less : Closing Stock	94.32	30.93
Less: Trial Run Consumption	429.85	15.20
	<u>1,103.45</u>	<u>1,083.09</u>
<b>Total</b>	<u><u>1,309.96</u></u>	<u><u>1,272.15</u></u>

### NOTE - 21

#### EMPLOYEE BENEFIT EXPENSES

i. Salaries, Wages, Allowances & Commission	2,525.95	2,533.01
ii. Contribution to Gratuity, Provident and Other Funds	223.10	239.83
iii. Staff Welfare Expenses	351.94	379.54
iv. Contract Labour & Services	532.37	470.88
<b>Total</b>	<u><u>3,633.36</u></u>	<u><u>3,623.26</u></u>

### NOTE - 22

#### FINANCE COST

##### a. Interest on

i. Debentures	767.07	986.61
ii. Term Loans	1,681.82	1,029.72
iii. Vehicle loans	18.76	14.76
iv. Self Assessment Tax	6.19	-
v. Cash Credit Facility	25.36	2.34

##### b. Other Borrowing Costs

<b>Total</b>	<u><u>39.39</u></u>	<u><u>71.70</u></u>
	<u><u>2,538.59</u></u>	<u><u>2,105.13</u></u>

	Year ended March 31, 2014	Year ended March 31, 2013
	Rs. in lacs	Rs. in lacs

### NOTE - 23

#### OTHER EXPENSES

i. Linen, Room, Catering and Other Supplies/Services	325.93	295.09
ii. Operating equipments and Supplies written off	96.34	112.45
iii. Fuel, Power and Light (Net)	1,447.82	1,202.07
iv. Repairs, Maintenance and Refurbishing*	909.54	791.45
v. Rent/License Fee	119.88	49.61
vi. Rates and Taxes	309.96	281.17
vii. Insurance	74.61	77.47
viii. Directors' Sitting Fee	8.64	8.86
ix. Legal and Professional Expenses	324.47	302.16

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended	Year ended
	March 31, 2014	March 31, 2013
	Rs. in lacs	Rs. in lacs
x. Music & Television	69.18	66.22
xi. Artist Fee	0.85	1.55
xii. Stationery and Printing	77.01	67.00
xiii. Travelling and Conveyance	425.02	376.81
xiv. Communication Expenses	109.72	116.13
xv. Technical Services	568.20	623.81
xvi. Advertisement and Publicity	741.91	300.74
xvii. Commission and Brokerage	784.88	666.40
xviii. Charity & Donation	4.18	34.63
xix. Gain/Loss on Trading of Shares/Derivatives	1.47	0.29
xx. Loss on Fixed Assets Sold/Discarded (Net)	46.34	–
xxi. Provision for diminution in value of deposits	33.30	–
xxii. Recruitment & Training	48.65	–
xxiii. Gain/Loss on foreign exchange	31.11	2.66
xxiv. Equipment Hire Charges	4.70	
xxv. Miscellaneous	120.42	209.75
Total	<b>6,684.13</b>	<b>5,586.32</b>
*includes:		
Repairs & Maintenance - Buildings	277.78	180.18
Repairs & Maintenance - Plant & Machinery	351.69	349.31
Repairs & Maintenance - Others	280.08	328.17

### 24. Contingent Liabilities not provided for in respect of:

(Rs. in Lacs)

S. No.	Particulars	Amount	Amount
		As At March 31, 2014	As At March 31, 2013
i.	Duty Saved against Export obligation	3476.45	3815.85
ii.	Corporate Guarantees on behalf of Subsidiaries	2834.79	6,629.28
iii.	Show cause Notices raised by Service Tax Authorities and contested by the company.	512.00	512.00
iv.	Dividend on Cumulative Preference Shares not paid/declared	–	2.50
v.	Claims not acknowledged as debts	104.92	–
vi.	Property Tax Demand	550.72	–

25. Pursuant to the Scheme of Arrangement & Demerger, Hyatt Regency, Mumbai was transferred to and vested in the Company. The Company has applied to the concerned authority for adjudication of stamp duty applicable on conveyance of the property title in favour of the Company, which has not been ascertained. Maximum liability which could be levied is estimated at Rs. 1500 lacs.

### 26. Capital and other Commitments :

(Rs. in Lacs)

Particulars	2013-14	2012-13
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	66.20	5483.22
Loan Commitments	8863.32	257.00
Other Commitments	163.12	148.39

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

27. During the year, in terms of requirement of Clause 1(C) of Section II of Part II of Schedule XIII to the Companies Act, 1956, the Company has obtained approval dated 6<sup>th</sup> September, 2013 from Ministry of Corporate Affairs under section 198, 309(3), 310 r/w Section 637A & 367AA of the Companies Act, 1956 for payment of remuneration to the Managerial Personnel in the absence of adequate profits. The same for the year has been accounted for in terms of the approval.
28. Company has received refund of Rs. 55.56 lacs out of Rs. 95.94 lacs towards the amount paid under protest for the Service Tax demand raised in earlier years. The petition is already filed with Tribunal Authorities and hence been included under "Loans and Advances" as Claims Recoverable based on the progress made in the matter so far. Further Company has received notice dated December 10, 2012 (Appeals)-IV Central Excise, Mumbai Zone-I against refund order of Rs.55.56 lacs passed by Assistant Commissioner of Service Tax Div-III Mumbai and directed to file cross objections to prove that burden of tax has been borne by the claimant & not passed on.
29. During the year, Company has transferred 9,998,186 equity shares of face value of Rs 10 each and 1,344,408 Optionally Cumulative Convertible Preference shares of face value of Rs 10 each of Inovia, the subsidiary company, held as non-current investment, to Fleur Hotels (P) Limited for consideration of Rs. 89,119,387/- & Rs. 29,056,451/- respectively resulting in loss of Rs. 85,990,854 which has been disclosed as exceptional item in the Statement of Profit & Loss.
30. The Company has entered into agreement with a party on April 03, 2014 for sub-license vide agreement dated April 03, 2014 of commercial space admeasuring an aggregate super built area of 3,329 Sq. feet at Commercial Tower, J. W. Marriott Hotel, New Delhi Aerocity, New Delhi which the Company had acquired vide sub license agreement dated September 18, 2012 with Aria. All rights, duties, interest and liabilities of the Company in respect of above space stands subrogated in favour of the party w.e.f. April 03, 2014. Difference between the amount of security deposit paid earlier to the licensor and that receivable from the party resulting in loss of Rs.33.29 lacs has been accounted for during the year as provision for diminution in value.
31. During the year, the Company has received property tax demand of Rs. 449.04 lacs from Mumbai Municipal Corporate ("MMC") based on capital value system which is effective from April 01, 2010 retrospectively. Hotels & Restaurant Association (Maharashtra) has filed a writ application in the High Court of Bombay against the new capital value system. Hon'ble High Court has 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 rateable value system and capital value system. Final decision of Hon'ble High Court is pending. Meanwhile the Company has not made any provision for the demand raised by MMC in the financial statements.
32. The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.
33. As the company is engaged in only one segment of Hotel business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.
34. (A) Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the Company:

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2014	As at March 31, 2013
a.	Not later than one year	875.80	814.50
b.	Later than one year and not later than five years	4012.15	3731.28
c.	Later than five years	31094.21	31627.14

(B) Future Commitments in respect of minimum payments (Sub-License Fees) receivable in case of non cancellable agreement entered into by the Company with various parties:-

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2014	As at March 31, 2013
a.	Not later than one year	843.02	39.68
b.	Later than one year and not later than five years	1483.45	193.72
c.	Later than five years	2381.59	1816.95

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 35. Auditors Remuneration (Exclusive of Service Tax):

(Rs in Lacs)

Particulars	Year ended	Year ended
	March 31, 2014	March 31, 2013
a. Statutory Audit Fee	12.50	14.50
b. Tax Audit Fee	2.75	3.50
c. Limited Review Fee	4.50	4.50
<b>Total</b>	<b>19.75</b>	<b>22.50</b>

36. The Company has classified the various benefits provided to employees as under:-

#### 1. Defined contribution plans

a. Provident fund

#### 2. Defined benefits plans

a. Contribution to Gratuity fund

b. Compensated absences – Earned leave

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

#### Economic Assumptions

The discount rate and salary increases assumed are key financial assumptions and are considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

#### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 8 % p.a. compound, has been used.

#### Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the Management regarding future salary increases and the Company's philosophy towards employee remuneration are also taken into account. Again a long- term view as to the trend in salary increase rates is taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

a. The following tables set out the unfunded status of the gratuity plan and earned leave and amounts recognized in the Company's financial statements as at March 31, 2014

#### i. Change in benefit obligations:

(Rs. in Lacs)

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
	Present value of obligations as at the beginning of the year	279.02	242.72	95.24
Current service cost	58.43	37.72	56.89	39.73
Interest cost	22.32	27.06	7.61	4.86
Benefit Paid	-37.23	-24.62	-16.54	-12.59
Actuarial (gain)/ loss on obligation	-4.84	0.22	-27.13	5.43
<b>Present value of obligations as at the year end</b>	<b>317.70</b>	<b>283.11</b>	<b>116.05</b>	<b>98.10</b>

#### ii. Expenses recognised in the Statement of Profit and Loss :

Current Service cost	58.43	37.72	56.89	39.73
Interest cost	22.32	27.06	7.61	4.86
Actuarial (gain)/loss recognised during the year	-4.84	0.22	-27.13	5.43
<b>Net charge/(credit)</b>	<b>75.91</b>	<b>65.01</b>	<b>37.37</b>	<b>50.02</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### iii. Amount recognized in balance Sheet :

(Rs. in Lacs)

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Present value of obligations as at the end of the year	317.70	283.11	116.05	98.10
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	-317.70	-283.11	-116.05	-98.10
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gain)/ losses	-	-	-	-
<b>Net assets/ (liability) recognized in the balance sheet</b>	<b>-317.70</b>	<b>-283.11</b>	<b>-116.05</b>	<b>-98.10</b>

### iv. Bifurcation of PBO at the end of year

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	As at 31/03/14	As at 31/03/13	As at 31/03/14	As at 31/03/13
Current liability	105.00	103.75	26.91	17.24
Non-Current liability	212.69	175.26	89.14	77.99
<b>Total PBO at the end of year</b>	<b>317.70</b>	<b>279.01</b>	<b>116.05</b>	<b>95.23</b>

### v. Disclosure as required by Para 120(n) of AS-15

Particulars	Gratuity (Unfunded)					Compensated absences Earned leave (Unfunded)				
	13-14	12-13	11-12	10-11	09-10	13-14	12-13	11-12	10-11	09-10
Present value of obligation as at the end of period	317.70	283.11	242.71	204.72	182.77	116.05	98.10	60.67	45.21	34.78
Fair value of plan assets at the end of the period	-	-	-	-	-	-	-	-	-	-
Surplus / (Deficit)	-317.70	-283.11	-242.71	-204.72	-182.77	-116.05	-98.10	-60.67	-45.21	-34.78
Experience adjustment on plan Liabilities (loss) / gain	4.83	0.22	4.06	1.18	3.59	27.13	5.43	6.02	3.22	0.52
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-	-	-	-	-	-

### vi. Principal Actuarial Assumptions:

Particulars	Refer Note below	Year ended	Year ended
		31-Mar-14	31-Mar-13
Discount rate (p.a.)	1	8%	8%
Salary escalation rate (p.a.)	2	7%	7%

#### Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.
- The gratuity plan and earned leave are unfunded.

#### Demographic assumptions:

- Retirement age 58 years
- Mortality rate Published rates under LIC (1994-96) mortality table.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

**a. List of related parties**

**(i) Entities in respect of which the subsidiary company Aria Hotels and Consultancy Services Private Limited is an Associate**

- IIRF India Realty XVI limited, Mauritius, the Associate Company (a company of IL&FS Group)

**(ii) Key Management Personnel**

- Mr. Sushil Kumar Gupta (Chairman & Managing Director)
- Mr. Sudhir Chamanlal Gupta - Executive (Whole-Time) Director
- Mr. Sandeep Gupta - Executive (Whole-Time) Director

**(iii) Relative of Key Management Personnel**

- Mrs. Vinita Gupta (Wife of Mr. Sushil Kumar Gupta, Chairman & Managing Director)
- Ms. Sukriti Gupta (Daughter of Mr. Sudhir Chamanlal Gupta, Executive (Whole-Time) Director)

**(iv) Entities over which Directors and their relatives can exercise significant influence**

- Eden Park Hotels Private Limited
- Aria Investments & Holdings Limited
- M/s Bhasin & Co.
- M/s Chaman Lal S. Gupta
- Godfrey Philips India Ltd
- Aria International Limited
- Export Trade Corporation , Hong Kong
- CLG Hotels and Resorts Private Limited

**Balances outstanding/transactions with related parties**

(Rs. in Lacs)

Sl. No.	Particulars	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
<b>A.</b>	<b>Transactions during the year</b>				
<b>(i)</b>	<b>Purchases/Services availed during the year</b>				
	Bhasin & Co.	–	–	<b>12.13</b>	<b>12.13</b>
		(–)	(–)	(1.86)	(1.86)
	Sukriti Gupta	–	3.50	–	3.50
		(–)	(–)	(–)	(–)
	Eden Park Hotels Pvt. Ltd	–	–	–	–
		(–)	(–)	(0.06)	(0.06)
<b>(ii)</b>	<b>Purchase of Fixed Assets</b>				
	Export Trade Corporation, Hong Kong	–	–	–	–
		(–)	(–)	(1388.45)	(1388.45)
	Aria International Ltd.	–	–	–	–
		(–)	(–)	(38.22)	(38.22)
	Eden Park Hotels Pvt. Ltd	–	–	<b>26.70</b>	<b>26.70</b>
		(–)	(–)	(15.90)	(15.90)
<b>(iii)</b>	<b>Sales/Services Provided during the year</b>				
	Eden Park Hotels Pvt. Ltd	–	–	–	–
		(–)	(–)	(6.54)	(6.54)
	Godfrey Philips India Ltd	–	–	<b>7.15</b>	<b>7.15</b>
		(–)	(–)	(–)	(–)
<b>(iv)</b>	<b>Expenses Paid</b>				
	Eden Park Hotels Private Ltd	–	–	<b>36.63</b>	<b>36.63</b>
		(–)	(–)	(129.29)	(129.29)

# ASIAN HOTELS (WEST) LIMITED

Sl. No.	Particulars	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
	Aria International Ltd.	–	–	46.69	46.69
		(–)	(–)	(–)	(–)
<b>(v)</b>	<b>Sale of Fixed Assets</b>				
	Eden Park Hotels Pvt. Ltd	–	–	2.00	2.00
		(–)	(–)	(–)	(–)
<b>(iii)</b>	<b>Advances Received</b>				
	Mr. Sushil Gupta	590.00	–	–	590.00
		(–)	(–)	(–)	(–)
	M/s Chaman Lal S. Gupta	–	–	170.00	170.00
		(–)	(–)	(–)	(–)
	Mrs. Vinita Gupta	–	200.00	–	200.00
		(–)	(–)	(–)	(–)
	Mr. Sandeep Gupta	1.87	–	–	1.87
		(–)	(–)	(–)	(–)
	Chaman Lal S Gupta	–	–	150.00	150.00
		(–)	(–)	(–)	(–)
<b>(vii)</b>	<b>Advances Repaid</b>				
	Mr. Sushil Gupta	315.00	–	–	315.00
		(–)	(–)	(–)	(–)
	M/s Chaman Lal S. Gupta	–	–	170.00	170.00
		(–)	(–)	(–)	(–)
	Mrs. Vinita Gupta	–	75.00	–	75.00
		(–)	(–)	(–)	(–)
	Mr. Sandeep Gupta	1.87	–	–	1.87
		(–)	(–)	(–)	(–)
<b>(viii)</b>	<b>Managerial remuneration</b>				
	Mr. Sushil Gupta	99.52	–	–	99.52
		(95.68)	(–)	(–)	(95.68)
	Mr. Sudhir Gupta	86.40	–	–	86.40
		(82.56)	(–)	(–)	(82.56)
	Mr. Sandeep Gupta	86.40	–	–	86.40
		(82.56)	(–)	(–)	(82.56)
<b>B.</b>	<b>Balances outstanding at the year end</b>				
<b>(i)</b>	<b>Account Payable</b>				
	Bhasin & Co.	–	–	–	–
		(–)	(–)	(0.13)	(0.13)
	Mr. Sushil Gupta	275.00	–	–	275.00
		(–)	(–)	(–)	(–)
	M/s Chaman Lal S. Gupta	–	–	150.00	150.00
		(–)	(–)	(–)	(–)
	Mrs. Vinita Gupta	–	125.00	–	125.00
		(–)	(–)	(–)	(–)
<b>(ii)</b>	<b>Advance Receivable/Security deposit</b>				
	Eden Park Hotels Private Ltd	–	–	–	–
		(–)	(–)	(2.48)	(2.48)
<b>(iii)</b>	<b>Share Application Money Received pending allotment/ refund</b>				
	Aria Investment Holding Ltd. Mauritius	–	–	881.96	881.96
		(–)	(–)	(–)	(–)
<b>(iv)</b>	<b>Share Application Money Refunded</b>				
	Aria Investment Holding Ltd. Mauritius	–	–	463.31	463.31
		(–)	(–)	(–)	(–)

38. The Board of Directors of the company has approved availing of the benefit under the General Circular No: 2/2011 dated 8<sup>th</sup> February 2011 exempting the company from attaching with the Balance Sheet of the company a copy of the balance sheet, statement of profit and Loss etc. of its subsidiary.

# ASIAN HOTELS (WEST) LIMITED

## 39. Earning Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

S. No.	Particulars	Units	Year ended March 31, 2014	Year ended March 31, 2013
a.	Net profit/ (loss) after tax	Rs./ Lacs	(1900.48)	(265.69)
b.	Weighted average of number of equity shares used in computing basic earnings per share	No.	11,458,303	11,458,303
c.	Basic earnings per share	Rs.	(16.59)	(2.32)
d.	Weighted average of number of equity shares including potential dilutive shares	No.	11,458,303	11,458,303
e.	Diluted earnings per share	Rs.	(16.59)	(2.32)

Subject to the provisions of Investment Agreement entered into between the company, subsidiary company Aria and the promoters, Statutory and Other approvals, if any, Asian Hotels (West) Limited (AHWL) and Aria Hotels and Consultancy Services Private Limited (Aria) shall provide the investors the exit option after March 31,2014 by way of merger of Aria with AHWL or swap of investors Securities with equity shares of AHWL or otherwise. However, in case of exit through AHWL, the investors shall be entitled for not more than 14% (fourteen percent) of the issued and paid up share capital of AHWL, on a fully diluted basis. However, since the option is not exclusive and subject to certain conditions/ approvals, with number of shares not being determined, impact of future dilutive potential equity shares has not been considered in calculating diluted earnings per share.

## 40. Dividend

The Board of Directors have proposed a Dividend of 15% (Previous Year 20%) i.e. dividend of Rs. 1.50 /- per equity share (Previous Year Rs. 2/- per share) subject to approval of the shareholders at the ensuing Annual General Meeting.

## 41. Details of share held as Stock- in- trade is as under:

(Rs. in Lacs)

Name of the Company	No. of Shares		Cost/Market Value whichever is lower	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
ICICI Bank Limited	70	70	0.87	0.73
Reliance Capital Limited	500	500	1.73	1.56
State Bank of India	27	27	0.52	0.56
<b>Total</b>			<b>3.12</b>	<b>2.85</b>

## 42. Foreign Currency Exposures

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Rs. in Lacs
Accounts Payable	USD	11,37,200 (5,51,326)	700.18 (299.86)
Accounts Receivable	USD	55,091 (NIL)	34.15 (NIL)

There is no hedged foreign currency exposure.

Figures in brackets relate to the previous year.

## 43. Previous year's financial statement include financial statements of Aria & Inovia whereas current year financial statements include financial statements of Aria and operating results of Inovia for the period ended 4<sup>th</sup> July 2013. Hence the current year figures are not comparable with the corresponding previous year figures.

## 44. Previous year figures have been regrouped / rearranged wherever considered necessary.

### AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner

Membership No. 89907

Place : New Delhi

Dated : May 28th, 2014

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN : 00057942

**NIKHIL SETHI**

Company Secretary  
Membership No. A-18883



# ASIAN HOTELS (WEST) LIMITED

CIN: L5510DL2007PLC157518

**Regd. Office:** 6th Floor, Aria Towers, J.W. Marriott, New Delhi Aerocity, Asset Area-4, Hospitality District, Near IGI Airport, New Delhi-110037

## MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) : .....

Registered address : .....

E-mail ID : ..... Folio No. / DP ID-Client ID .....

I/We, being the member(s) of Asian Hotels (West) Limited, ..... shares of the above named company, hereby appoint:

- 1) Name ....., Address .....  
e-mail id ....., Signature ..... or failing him/her
- 2) Name ....., Address .....  
e-mail id ....., Signature ..... or failing him/her
- 3) Name ....., Address .....  
e-mail id ....., Signature .....

As my / our proxy to attend and vote (on a poll) for me / us and on my /our behalf at the Annual General Meeting (AGM) to be held on **Saturday the 20<sup>th</sup> day of September, 2014 at 3.00 P M** at the **Air Force Auditorium at Subroto Park, New Delhi – 110010** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	Optional	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of the Financial Statements for the year ended March 31, 2014	OR	
2.	Declaration of dividend	OR	
3.	Appointment of Director in place of Mr. Sunil Vasant Diwakar (DIN : 00089266) who retires by rotation and is eligible for re-appointment.	OR	
4.	Appointment of Auditors and fixing their remuneration	OR	
<b>Special Business</b>			
5.	Appointment of Mr. Raj Kumar Bhargava (DIN 00016949) as an Independent Director	OR	
6.	Appointment of Dr. Lalit Bhasin (DIN 00001607) as an Independent Director	OR	
7.	Appointment of Mr. Surendra Singh Bhandari (DIN 00043525) as an Independent Director	OR	
8.	Appointment of Mr. Surinder Singh Kohli (DIN 00169907) as an Independent Director	OR	
9.	To adopt new sets of Articles of Association of the Company	SR	
10.	Re-Appointment of Mr. Sushil Kumar Gupta (DIN: 00006165) as Managing Director of the Company	SR	
11.	Re-Appointment of Mr. Sudhir Chamanlal Gupta (DIN: 00015217) as Executive (Whole-Time) Director of the Company.	SR	
12.	Re-Appointment of Mr. Sandeep Gupta (DIN: 00057942) as Executive (Whole-Time) Director of the Company.	SR	
13.	Commission to Non-Executive Directors of the Company	OR	
14.	Authorisation of borrowing powers of the Board under Section 180(1) (c) of the Companies Act, 2013	SR	

Signed this..... day of.....2014      Signature of shareholder(s)

Affix  
Rupeee One  
Revenue  
Stamp

Signature of Proxy holder(s)

**Note:**

1. The form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company "Asian Hotels (West) Limited", 6th Floor, Aria Towers, J.W. Marriott, New Delhi Aerocity, Asset Area-4, Hospitality District, Near IGI Airport, New Delhi-110037 not less than 48 hours before the commencement of the Meeting.
2. It is optional to put an 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details of members(s) before submission.
4. **OR** – Ordinary Resolution / **SR** – Special Resolution.

TEAR HERE





**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 4610 1202; Website: [www.asianhotelswest.com](http://www.asianhotelswest.com)