

T E N T H

*Annual*

*Report*

*2016 - 17*

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

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**BOARD OF DIRECTORS**

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

**CHIEF FINANCIAL OFFICER**

Mr. Rakesh Kumar Aggarwal

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Vivek Jain

**AUDITORS**

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

**BANKER**

Yes Bank Limited

**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 4159 7321;  
Website: www.asianhotelswest.com

**REGISTRAR & SHARE TRANSFER AGENTS**

Karvy Computershare Pvt. Ltd.  
Karvy Selenium Tower-B",  
Plot No 31 & 32. Gaehibowli Financial District,  
Nanankramguda, Serilinggampally,  
Hyderabad -500032  
Tel No. : 040-23420815-24  
Fax No : 040-23420814  
E Mail : mailmanager@karvy.com

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# ASIAN HOTELS (WEST) LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 10th Annual Report and Audited Accounts for the Financial Year ended on March 31, 2017.

## OBJECTS, OPERATIONS AND FINANCIAL RESULTS

A summarized position of the revenue, profits, taxation, dividend pay-out and earnings per share for the year under review, on standalone basis, is given below:

(Rs in Crores)

Particulars	2016-17	2015-16
<b>Total Revenue</b>	<b>140.93</b>	135.91
<b>Profit Before Tax</b>	<b>(6.22)</b>	(6.73)
<b>Provision for Taxation</b>		
– Current Tax	<b>0.34</b>	
– Earlier year Tax	<b>(0.01)</b>	(0.31)
– Deferred Tax Charge (Credit)	<b>(2.51)</b>	(2.54)
<b>Profit After Tax</b>	<b>(4.05)</b>	(3.87)
Transfer to General Reserve	–	–
Proposed Dividend on Equity Shares	<b>1.14</b>	1.14
Corporate Dividend Tax	<b>0.23</b>	0.23
<b>Earnings Per Share – Basic (Rupees)</b>	<b>(3.53)</b>	(3.38)
<b>Earnings Per Share – Diluted (Rupees)</b>	<b>(3.53)</b>	(3.38)

## REVIEW OF OPERATIONS

The Gross Revenue of the Company for the financial year under review was Rs. 140.93 Crores as against Rs. 135.91 Crores for the previous financial year ended on March 31, 2016. The profit before tax (after interest and depreciation) was Rs. (6.22) Crores and profit after tax was Rs. (4.05) Crores for the financial year ended on March 31, 2017 as against Rs. (6.73) crores and Rs. (3.87) Crores respectively for the previous year ended on March 31, 2016.

With the growth in the economy and steps taken by the present Government for promoting the tourism the Company aims to do better both in terms of profitability in the times to come and Company is focusing on retaining market share in highly competitive Hotel Market around Hyatt Regency, Mumbai and 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.

## DIVIDEND

The Board has recommended for approval of shareholders, a dividend of 10 % (amounting to Rs. 1/- per Share) (Previous period dividend @ 10%) for the Financial Year ended March 31, 2017 to be paid on 1,14,58,303 Equity Shares of the Company, aggregating a distribution of Rs. 1.14 Crores (Previous period year Rs. 1.14 Crores).

## CONSOLIDATED FINANCIAL STATEMENTS

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

On consolidated basis, the turnover of the Company for the Financial Year under review was Rs. 371.61 crores as against Rs. 323.81 crores in the previous financial year. The profit after tax (PAT) was Rs. (28.15) crores as against Rs. (50.57) crores in the previous year ended on March 31, 2016.

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

## SUBSIDIARY COMPANY

As on date, your Company has one subsidiary company - Aria Hotels and Consultancy Services Private Limited (Aria). ARIA's 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 in October 2013 is fully operational. The hotel is being received well by the customers with better occupancy levels and it has made a mark through its unique food and beverage operations.

## DEBT

During April 2016, the Company has entered into facility arrangement with Yes Bank Limited (YBL) for its entire banking and borrowing facilities (except additional Term Loan facility from PTC against Solar plant). The Company was sanctioned borrowing facilities aggregating to Rs. 215 Crores from the YBL (Term Loan of Rs. 200 Crores, Overdraft Facility of Rs. 10 crores and Non-fund LC/ BG facility of Rs 5 Crores). The outstanding debt as on March 31, 2017 was Rs. 201.87 Crore.

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

# ASIAN HOTELS (WEST) LIMITED

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## DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the requirement of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, Mr. Sunil Vasant Diwakar, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 stating that they meet criteria of Independence as laid down in Section 149 (6) of the Companies Act, 2013.

## PARTICULARS OF EMPLOYEES & RELATED DISCLOSURE

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## CORPORATE GOVERNANCE

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

As required by regulation 34 of the Listing Regulations with the Stock Exchanges, a Report on Corporate Governance for the Financial Year 2016-17, along with Practicing Company Secretary Certificate on Corporate Governance is annexed as **Annexure 5** herewith and forms a part of this report.

## COMPLIANCE UNDER COMPANIES ACT, 2013

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

- **Extract of Annual Return**

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

- **Directors' Responsibility Statement**

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

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

- **Auditors & Auditors' Report**

M/s S. S. Kothari Mehta & Co., Chartered Accountants, were appointed in compliance with provisions of the Companies Act, 2013 read with the rules made thereunder in the 7th AGM of the Company for period of 3 years upto conclusion of 10th AGM of the Company.

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 134 of the Companies Act, 2013.

The Board in its meeting dated 05th June, 2017 has appointed M/s S R Batliboi & Co, LLP, Chartered Accountants, subject to the approval of the shareholders of the Company, as Statutory Auditors of the Company, for a period of 5 years w.e.f conclusion of 10th AGM of the Company till the conclusion of 15th AGM of the Company.

# ASIAN HOTELS (WEST) LIMITED

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- **Internal Audit**

M/s Grant Thornton India LLP, 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 Audit**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s PI & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2017. The Secretarial Audit Report (in Form MR-3) is annexed as **Annexure 7** hereto and forms a part of this report.

Further, there is no qualification, reservation or adverse remark or disclaimer in the Secretarial Audit Report and hence any explanation or comment is not required by the Board.

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

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note No 42 to the financial statements.

- **Related Party Transactions**

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

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

There was one materially significant transaction with related parties during the Financial Year 2016-17 and none of the transactions with any of related parties were in conflict with the Company's interest.

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

Suitable disclosure as required under AS-18 has been made in Notes to the Financial Statements.

- **Material Changes and commitments affecting the Financial Position of the Company which have occurred between March 31st, 2017 and June 5th, 2017 (date of report)**

A matter in relation to the exit option of the 'IL&FS Trust Company Limited', Mumbai and 'IIRF India Realty XVI Limited', Mauritius from M/s Aria Hotels and Consultancy Services Pvt. Ltd., (ARIA, Subsidiary of the Company) and conversion of Compulsorily Convertible Preference Shares held by them and the Company in ARIA is pending before the Arbitration Tribunal.

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

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

- **Risk Management Policy**

Pursuant to section 134 (3)(n) of the Companies Act, 2013 & regulation 17 of the Listing Regulations, the Company has constituted a Risk Management Committee.

As part of the risk assessment and minimization procedures, the Company had identified certain risk areas with regard to the operations of the Company and initiated steps, wherever possible, for risk minimization. The Company's Board is conscious of the need to review the risk assessment and minimization procedures on regular intervals. During the year under review the Company has not received any order passed by the regulators/ courts/ tribunals which impacted the going concern status and Company's operation in future.

- **Corporate Social Responsibility (CSR) Policy**

We believe that CSR means much more than merely responding to social responsibility. We understand the mutual interdependence between our business and the economic, social and human environment that surrounds us.

An essential component to the Company's Corporate Social Responsibility is to care for the community. The Company endeavors to make a positive contribution towards various social causes by supporting a wide range of socio-economic initiatives, engaging in socially responsible employee relations and making a commitment to the community around it.

During the year, the provisions of section 135(5) of Companies Act, 2013 doesn't apply on the Company. However, during the year the Company has spent Rs. 5 Lacs on CSR activities out of the un-spent amount of previous year's (amounting to Rs. 10.70 Lacs) as per the CSR policy of the Company. The residual amount shall be spent as per the CSR policy in FY 2017-18.

The Annual Report on CSR activities is annexed herewith as **Annexure 10**. The Company has disclosed its CSR policy at website of our Company. The link of the said policy is [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies).

- **Public Deposits**

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

# ASIAN HOTELS (WEST) LIMITED

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- **Internal Control System and their Adequacy**

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

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

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

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

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

## **GREEN INITIATIVES**

Electronic copies of the Annual Report and notice of the 10th AGM are sent to all the members whose email address are registered with the Company /Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report and the notice of 10th AGM are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

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

## **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

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

During the Financial Year 2016-17, NIL complaints with allegations of any kind of sexual harassment were filed with the Company.

## **ACKNOWLEDGEMENT AND APPRECIATION**

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 : June 5, 2017

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

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 1 TO THE DIRECTORS' REPORT

### Form AOC-1

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

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

##### Part "A": Subsidiaries

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

S. No.	Particulars	Details
1.	Name of the subsidiary	Aria Hotel And Consultancy Services Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	11,833.53
5.	Reserves & surplus	(3,851.66)
6.	Total assets	83,778.19
7.	Total Liabilities	83,778.19
8.	Investments	NIL
9.	Turnover	23,085.68
10.	Loss before taxation	(2,929.78)
11.	Provision for taxation	NIL
12.	Loss after taxation	(2,929.78)
13.	Proposed Dividend	NIL
14.	% of shareholding	82.49%

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

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

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

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

# ASIAN HOTELS (WEST) LIMITED

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

Sl No	Name of the employee	Designation of the employee	Remuneration received (In Rupees in Lacs)	Nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above and	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
<b>EMPLOYED THROUGHOUT THE YEAR</b>										
1.	Mr. Sushil Kumar Gupta	Chairman & Managing Director	138.54	upto 31st October, 2019 (Contractual- Liabile to retire by Rotation)	F.S.C., CHA (54 years)	10.04.1981	73	N.A	3.61%	Father of Mr. Sandeep Gupta and Brother of Mr. Sudhir Charmanlal Gupta
2.	Mr. Sudhir Charmanlal Gupta	Executive (Whole-time) Director	119.09	Upto 9th May, 2020 (Contractual - Liabile to retire by Rotation)	'Graduate from HKIS, Hong Kong' (34 years)	10.05.2010	58	N.A	1.87%	Brother of Mr. Sushil Kumar Gupta
3.	Mr. Sandeep Gupta	Executive (Whole-time) Director	118.70	Upto 9th May, 2020 (Contractual - Liabile to retire by Rotation)	B.Com(Hons) SRCC, New Delhi, MBA from Notre Dame University, USA., Specializing in Finance & Marketing, PDP – Cornell University (26 years)	10.05.2010	48	N.A	3.47%	Son of Mr. Sushil Kumar Gupta
4.	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	162.09	Permanent	Hotel Management Graduate and Experience of 17 Years	09.12.2015	43	EAM Room Grand Hyatt, Doha	Nil	N.A
<b>EMPLOYED PART OF THE YEAR</b>										
	NA									

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



# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 3 TO THE DIRECTORS' REPORT

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

- I) The ratio of the remuneration of each of the Executive Director to the Median remuneration of the employees of the Company for the financial year 2016-17; and
- II) The percentage increase in remuneration of each of the Executive Director, Chief Financial Officer, Company Secretary during the financial year 2016-17.

S. No.	Name of Director/KMP and Designation	The ratio of the remuneration of each Executive Director to the median remuneration of the employees.	The percentage increase in remuneration.
1	Mr. Sushil Kumar Gupta, Chairman & Managing Director	45.864:1	7.60%#
2.	Mr. Sudhir Chamanlal Gupta, Executive (Whole-Time) Director	39.425:1	8.15%#
3.	Mr. Sandeep Gupta, Executive (Whole-Time) Director	39.296:1	8.15%#
4.	Mr. Rakesh Kumar Aggarwal, (CFO)	NA	8.00%
5.	Mr. Vivek Jain (Company Secretary)	NA	8.00%

# As per the shareholders approval in the 7th AGM of the Company held on September 20, 2014.

The Non-Executive Directors of the Company are entitled for sitting fees as per the statutory provisions. The details of remuneration of non- Executive Directors are provided in the Corporate Governance Report and are not considered for the above purposes.

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

The percentage increase in the median of employees in the financial year 2016-17 was 4.67%

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

The Number of permanent employees on the roll of the Company as on March 31, 2017 was 410.

**V) The explanation on the relationship between average increase in remuneration and Company performance:**

Increase in the remuneration of employees is in line with remuneration policy of the Company and was as per the Industry Standards, keeping Company performance in perspective while simultaneously driving a performance within.

**VI) Comparison of the remuneration of the Key Managerial Personnel (KMPs) against the performance of the Company:**

The remuneration of the KMPs are in line with the remuneration policy of the Company where their remuneration is determined based on their performance which is correlated to the performance of the Company. Further, the remuneration of the KMPs is as per industry standards also.

**VII) a) Variations in the market capitalisation of the Company:**

The Market Capitalization as on March 31, 2017 was 26010.35 Lacs (Rs. 13,486.42 Lacs as on March 31, 2016).

**b) Price earning ration as at the closing date of the current financial year and previous financial year:**

Price earnings ratio of the Company cannot be determined as at March 31, 2017 & March 31, 2016 as the Company has incurred losses in both the Financial Years.

**c) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Since the Company got listed pursuant to demerger of erstwhile Asian Hotels Limited (AHL) in the year 2010 after seeking approval from SEBI under Rule 19(2) (b) of Securities Contract (Regulations) Rules, 1957. The Company has not come out with any public offer till date.

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

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is approx 5 % and whereas the percentile increase in the managerial remuneration for the same period was approx 7.97% which was in terms of shareholders approval at the 7th AGM of the Company held on September 20, 2014.

**IX) Comparison of the each remuneration of the Key Managerial personnel against the performance of the Company:**

The remuneration of the Key Managerial personnel are in line with the remuneration policy of the Company where their remuneration is determined based on their performance which is correlated to the performance of the Company. Further, the remuneration of the KMPs are as per industry standards also.

**X) The key parameters for any variable component of remuneration availed by the directors:**

The variable component of remuneration availed by the Directors are considered by the board of Directors based on the recommendations of Nomination and remuneration Committee and approved by the Shareholders of the Company. However no variable component was paid by the Company to managerial personnel in the Financial Year 2016-17.

**XI) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

1:1.17

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

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

### MANAGEMENT DISCUSSION AND ANALYSIS

#### INDIAN ECONOMY

The Indian economy is growing strongly and remains a bright spot in the global landscape. The halving of global oil prices that began in late 2014 boosted economic activity in India, further improved the external current account and fiscal positions, and helped lower inflation. In addition, continued fiscal consolidation, by reducing government deficits and debt accumulation, and an anti-inflationary monetary policy stance have helped cement macroeconomic stability.

The Government has made significant progress on important economic reforms, which shall support strong and sustainable growth going forward. In particular, the implementation of the Goods and Services Tax (GST), which has been in the making for over a decade, shall help raise India's medium-term growth, as it will enhance the efficiency of production and movement of goods and services across Indian states.

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

Over the past few months, the economy has been hit by cash shortages, and accordingly IMF has reduced its growth forecasts to 7.2 percent in 2017-18.

As per Asian Development Bank (ADB) - India's economy is set to grow at 7.4% in the current fiscal year 2017-18 against 7.1% in the previous year, on the back of pick-up in consumption demand and higher public investment. ADB projected inflation to accelerate to 5.2% in 2017-18 and 5.4% in 2018-19 as the global economy recovers and commodity prices rebound. The ADB report (Asian Development Outlook (ADO) 2017) estimates of a \$1 increase in oil prices raises the import bill by nearly \$2 billion. In 2016-17, rising oil prices resulted in a 37.6% increase in India's import bill. To mitigate India's vulnerability to oil price swings, the government has proposed reducing dependence on imported oil by 10% over the next five years through more efficient domestic production and increased private investment into the sector.

#### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. The industry is expected to generate 13.45 million jobs across sub-segments such as Restaurants (10.49 million jobs), Hotels (2.3 million jobs) and Travel Agents/Tour Operators (0.66 million). The Ministry of Tourism plans to help the industry meet the increasing demand of skilled and trained manpower by providing hospitality education to students as well as certifying and upgrading skills of existing service providers.

The tourism and hospitality sector is among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). During the period April 2000-December 2016, the hotel and tourism sector attracted around US\$ 9.93 billion of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognised as a destination for spiritual tourism for domestic and international tourists.

Total contribution by travel and tourism sector to India's GDP is expected to increase from US\$ 136.3 billion in 2015 to US\$ 275.2 billion in 2025. Travel and tourism is the third largest foreign exchange earner for India.

India has moved up 12 positions to 40nd rank from 52nd in Tourism & Travel competitive index.

#### Market Size

India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism. Domestic Tourist Visits (DTV) to the States/Union Territories (UTs) grew by 15.5 per cent y-o-y to 1.65 billion (provisional) during 2016 with the top 10 States/UTs contributing about 84.2 per cent to the total number of DTVs, as per Ministry of Tourism.

As per Ministry of Tourism, foreign tourists' arrival (FTAs) on e-tourist visa increased 56.6 per cent year-on-year in December 2016. In 2016, foreign tourist arrivals on e-visas more than doubled to 10,79,696 from 4,45,300 in 2015, partly because the e-visa facility was extended to 161 countries from 113 previously.

India is expected to move up five spots to be ranked among the top five business travel market globally by 2030, as business travel spending in the country is expected to treble until 2030 from US\$ 30 billion in 2015.

India ranked 3 rd among 184 countries in terms of travel & tourism's total contribution to GDP in 2016 in India, the sector's direct contribution to GDP is expected to grow by 7.9 per cent per annum during 2016-26

International hotel chains will likely increase their expansion and investment plans in India, and are expected to account for 50 per cent share in the Indian hospitality industry by 2022, from the current 44 per cent.

#### Government initiatives:

The Indian Government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. In the Union Budget 2017-18, the Government of India announced some initiatives to give a boost to the tourism

and hospitality sector such as setting up of five special tourism zones, special pilgrimage or tourism trains and worldwide launch of Incredible India campaign among others.

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

- The Central Government has taken a number of steps for smooth transitioning to cashless mode of payment to ensure that no hardship is faced by the tourists and the tourism industry remains unaffected from government's demonetisation move.
- The Ministry of Tourism has approved projects worth Rs 450 crore (US\$ 67.10 million) under the Swadesh Darshan scheme, for the improvement and creation of tourism infrastructure in Madhya Pradesh, Uttarakhand, Tamil Nadu, Uttar Pradesh and Sikkim.
- The Union Cabinet has approved a MoU between India and South Africa, aimed at expanding bilateral cooperation in the tourism sector through exchange of information and data, establishing exchange programmes and increasing investments in the tourism and hospitality sector.
- The Heritage City Development and Augmentation Yojana (HRIDAY) action plans for eight missions cities including Varanasi, Mathura, Ajmer, Dwaraka, Badami, Vellankini, Warangal and Amaravati have been approved by HRIDAY National Empowered Committee for a total cost of Rs 431 crore (US\$ 64.27 million).

## Road Ahead

India's travel and tourism industry has huge growth potential. The tourism industry is also looking forward to the expansion of E-visa scheme which is expected to double the tourist inflow to India. India is projected to be the fastest growing nation in the wellness tourism sector in the next five years, clocking over 20 per cent gains annually through 2017, according to a study conducted by SRI International.

## 2. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The Indian hospitality industry has experienced prominent growth in recent years due to various factors, including the rising purchasing power of domestic travellers, an increase in commercial development and foreign tourist arrivals, a growing airline industry and government-led initiatives aiming to stimulate the sector. There is a great deal of scope to expand tourism across India, and as the country improves air travel connections and relaxes visa restrictions, tourist arrivals should increase.

India's size and massive natural, geographic, cultural and artistic diversity offers enormous opportunities for the travel and tourism industry. The promotion and aggressive marketing measures undertaken by the government is expected to aid influx of tourists. The industry would also benefit from introduction of new forms of tourism and development of niche segments.

Opportunities also exist in ecotourism, adventure tourism, and cruise tourism. Eco-tourism is increasing in popularity, evident in the development of eco-friendly hotels and tour packages. With increasing environment awareness and consciousness among tourists and given efforts undertaken by the government and private players, the ecotourism segment is expected to record handsome growth in the coming years.

There are many domestic, regional and international factors which reduce tourist traffic and thus the business of the hotels. Lack of training man power is also a threat for the hotel industry. Proposed High tax structure as per GST does not appear to be conducive for the Hotel industry as it may affect the revenues of the Hotels.

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.

The Government at the centre has to focus on infrastructure development with which the travel and tourism industry is expected to receive a major boost. Your Company's property with world class services and strong brand identity is ideally poised to take advantage of these opportunities.

## 3. SEGMENT WISE PERFORMANCE

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

## 4. OUTLOOK

The travel & tourism sector in India is estimated to account for 9 per cent of the total employment opportunities generated in the country in 2016, providing employment to around 38.4 million people during the same year. The number is expected to rise by 2 per cent annum to 46.42 million jobs by 2026

Travel & tourism's contribution to capital investment is projected to grow 6.3 per cent per annum during 2016–26, higher than the global average of 4.5 per cent

Contribution of visitor exports to total exports is estimated to increase 7.2 per cent per annum during 2016–2026 compared to the world average of 4.3 per cent, India offers geographical diversity, attractive beaches, 30 World Heritage Sites & 25 bio-geographic zones. India has a diverse portfolio of niche tourism products – cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural & religious tourism

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With a rise in online competition, popular models have come up with online travel agents (OTAs) offering a single marketplace for all travel-related needs. There are also seen meta search engines like Trip Advisor and Kayak, that operate like travel discovery platforms. Further, online accommodation reservation services like Oyo Rooms, Stayzilla are gaining popularity. Apart from this, branded hotels are seen operating direct bookings through their websites.

## 5. 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 auditors of the Company had regularly conducted exhaustive audits pertaining to all operational areas and their reports were placed before the Audit Committee for its review and recommendations.

## 6. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

### Sales & Other Income

The Gross Revenue during the year under review was Rs. 140.93 Crores as against Rs. 135.91 Crores during previous Financial Year.

### Profit Before Tax

Your Company has registered PBT of Rs. (6.22) Crores as against Rs. (6.73) Crores during previous Financial Year.

### Profit After Tax

Your Company has registered PAT of Rs. (4.05) Crores as against Rs. (3.87) Crores during previous Financial Year.

### Key Ratios

Key financial ratios are given below:

Particulars	2016-17	2015-16
EBIDTA / Turnover (percent)	26.12	22.80
Profit After Tax / Turnover (percent)	(2.87)	(2.85)
EBIDTA / Net Interest (no. of times)	1.32	1.34
Debt to Equity	0.73	0.66
Return on Equity (percent)	(1.46)	(1.37)
Book Value per share (Rs./share)	242.50	246.03
Earnings per share (Rs./share)	(3.53)	(3.38)

During the year ended March 31, 2017, the Company achieved a occupancy rate of 77% % (in comparison to the 73% during the Financial Year 2015-16) and the Average room rate was Rs. 7748/- (in comparison to ARR at Rs. 7,805/- during the previous year).

However the business sentiments looks positive and Company aims to do better both in terms of profitability in the times to come and Company is focusing on retaining market share in highly competitive Hotel Market around Hyatt Regency, Mumbai and JW Marriott at New Delhi Aerocity, developed by M/s Aria Hotels and Consultancy Services Private Limited, subsidiary of the Company.

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

As our Company is part of the hospitality industry the importance of efficient and motivated human resources helps in achieving complete customer satisfaction, which in turn has direct impact on the brand image and turnover of the Company. The Company enjoys harmonious relationship with its employees. The employee strength of the Company, as on March 31, 2017 was 614.

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

### **Cautionary Statement**

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

### CORPORATE GOVERNANCE REPORT

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

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

#### 2. Board of Directors

##### a. Composition of the Board

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

The Board has been enriched with the skills and experience of the Independent Directors. Other than receiving sitting fees, none of the Independent Director has any pecuniary relationship with the Company. All Independent Directors comply with the requirements of the Listing Regulations and section 149(6) of the Companies Act, 2013 for being "Independent Director". The composition of the Board of Directors as on March 31, 2017 is as under:

S. No	Category	Name of the Director	Date of Appointment
1	Promoter and Executive	Mr. Sushil Kumar Gupta	04.07.2008
		Mr. Sudhir Chamanlal Gupta	04.07.2008
		Mr. Sandeep Gupta	04.07.2008
2	Independent and Non-Executive Directors	Mr. Raj Kumar Bhargava	23.12.2008
		Mr. Lalit Bhasin	23.12.2008
		Mr. Surendra Singh Bhandari	23.12.2008
		Mr. Surinder Singh Kohli	09.08.2014
		Ms. Meeta Makhan	27.03.2015
3	Non-Executive Director	Mr. Sunil Vasant Diwakar	10.08.2010

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

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

S. No.	Name of the Director	DIN	Category	No. of Board Meetings Attended	No. of shares held	Last AGM attended	No. of Other Directorships in which member is a Director	No. of Other Directorships in which member is a Chairman ^	No. of Committee Memberships in other Public Companies **	No. of Chairmanships in such Committees **
1.	Mr. Sushil Kumar Gupta	00006165	Chairman & Managing Director	5 out of 5	413612	Yes	6	1	-	-
2.	Mr. Raj Kumar Bhargava	00016949	Independent Non-Executive	5 out of 5	0	Yes	5	1	6	4
3.	Dr. Lalit Bhasin	00001607	Independent Non-Executive	5 out of 5	0	Yes	11	0	10	4
4.	Mr. Surendra Singh Bhandari	00043525	Independent Non-Executive	5 out of 5	0	Yes	0	0	0	0

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S. No.	Name of the Director	DIN	Category	No. of Board Meetings Attended	No. of shares held	Last AGM attended	No. of Other Directorships in which member is a Director	No. of Other Directorships in which member is a Chairman ^	No. of Committee Memberships in other Public Companies **	No. of Chairmanships in such Committees **
5.	Mr. Surinder Singh Kohli	00169907	Independent Non-Executive	5 out of 5	0	No	11	0	8	4
6.	Ms. Meeta Makhan	07135150	Independent Non-Executive	5 out of 5	0	Yes	1	0	0	0
7.	Mr. Sudhir Chamanlal Gupta	00015217	Executive (Whole - time) Director	5 out of 5	214290	Yes	1	0	0	0
8.	Mr. Sandeep Gupta	00057942	Executive (Whole - time) Director	4 out of 5	397523	Yes	5	0	0	0
9.	Mr. Sunil Vasant Diwakar	00089266	Non-Executive	2 out of 5	0	No	6	0	5	0

^ Excluding our Company and foreign Companies and Companies under section 8 of the Companies Act, 2013.

\*\* Considering only Audit Committee & Stakeholders' Relationship Committee

None of the Directors of the Company was a member of more than ten Board-level committees, nor a Chairman of more than five such committees, across all companies in which he was a Director.

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

### c. Meetings during the year

During the Financial Year 2016-17, the Board of Directors met 5 (Five) times on the following dates:

<b>April to June 2016</b>	24.05.2016	<b>July to September 2016</b>	02.08.2016 11.08.2016	<b>October to December 2016</b>	14.11.2016	<b>January to March 2017</b>	14.02.2017
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The maximum gap between any two meetings was less than four months. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board.

### d. Independent Directors Meeting

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-independent directors) was held on 31st May, 2016, to discuss:

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

All the independent Directors were present at the meeting.

### e. Familiarization Programme

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

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

## 3. Audit Committee:

### a. Brief description of Terms of reference.

The role and power of the Audit Committee include:

- (1) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors.
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (22) To review the financial statements, in particular, the investments made by the unlisted subsidiary.



(23) To mandatorily review the following information:

- a. management discussion and analysis of financial condition and results of operations;
- b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. internal audit reports relating to internal control weaknesses; and
- e. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f. statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)."

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

Name of the Member	Category	No. of Meetings attended	Dates on which Meetings held
Mr. Raj Kumar Bhargava (Chairman)	Independent - Non-Executive	4 out of 4	25th May, 2016;
Mr. Surendra Singh Bhandari	Independent - Non-Executive	4 out of 4	11th August, 2016;
Mr. Surinder Singh Kohli	Independent - Non-Executive	4 out of 4	14th November, 2016; 14th February, 2017

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

**4. Nomination and Remuneration Committee**

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

**a. Brief description of terms of reference**

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- iv. Policy for appointment and removal of Director, KMP and Senior Management.
- v. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- vi. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- vii. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- viii. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- ix. To devise a policy on Board diversity.
- x. To develop a succession plan for the Board and to regularly review the plan;

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

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

Name of the Member	Category	No. of Meetings attended	Dates on which Meetings held
Dr. Lalit Bhasin (Chairman)	Independent - Non-Executive	1 out of 1	24.05.2016
Mr. Surendra Singh Bhandari	Independent - Non-Executive	1 out of 1	
Mr. Raj Kumar Bhargava	Independent - Non-Executive	1 out of 1	

**c. Performance evaluation criteria for independent Directors.**

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

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

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

The Directors expressed their satisfaction to the above.

**5. Corporate Social Responsibility (CSR) Committee**

The Corporate Social Responsibility (CSR) Committee formed under Section 135 of Companies Act, 2013 comprises of Mr. Sudhir Chamanlal 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.

**Brief description of Terms of Reference**

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

**Committee Meetings Procedure**

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

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

**6. Risk Management Committee**

Pursuant to section 134 (3)(n) of the Companies Act, 2013 & Regulation 21 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the company has constituted a Risk Management Committee consisting of majority of Board of Directors and other senior executives of the Company.

As part of the risk assessment and minimization procedures, the Company had identified certain risk areas with regard to the operations of the Company and initiated steps, wherever possible, for risk minimization. The Company's Board is conscious of the need to review the risk assessment and minimization procedures on regular intervals. Certain risks that the Company is associated with is also provided as part of Management Discussion and Analysis Report.

**7. Remuneration of Directors**

Compensation paid to Executive Directors are fixed by the Board and approved by the shareholders in the General Meeting and the compensation is within the limits prescribed under the Companies Act, 2013.

Pursuant to the approval of the shareholders at the 7th Annual General Meeting 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 197 and 198 of the Companies Act 2013.) subject to a maximum of Rs. 5,00,000/- (Rupees Five Lacs only) per year per Non-Executive Director. However because of losses in the year under review NIL commission is paid to the Non-Executive Directors. The 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.

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- All pecuniary relationship or transactions of the non executive directors: None of the non executive directors has any pecuniary relationship or transaction with the Company.
- Criteria of making payments to Non Executive Directors is given in the Nomination and Remuneration policy of the Company and link of the same is [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies)
- Details of remuneration paid to the Directors for the Financial Year 2016-17 are given below:

(Amount in Rs. Lacs)

Name of the Directors	Salary including Perquisites & PF	Commission (payable)	Sitting Fees	Tenure upto	Notice period	Total
Mr. Sushil Kumar Gupta	138.54	NIL	NIL	31.10.2019	3 months	138.54
Mr. Raj Kumar Bhargava	NIL	NIL	2.54	31.03.2019	NA	2.54
Dr. Lalit Bhasin	NIL	NIL	1.20	31.03.2019	NA	1.20
Mr. Surendra Singh Bhandari	NIL	NIL	1.95	31.03.2019	NA	1.95
Mr. Sunil Diwakar	NIL	NIL	0.35	NA	NA	0.35
Mr. Surinder Singh Kohli	NIL	NIL	1.80	31.03.2019	NA	1.80
Mrs. Meeta Makhan	NIL	NIL	1.05	31.03.2020	NA	1.05
Mr. Sudhir Chamanlal Gupta	119.09	NIL	NIL	09.05.2020	3 months	119.09
Mr. Sandeep Gupta	118.70	NIL	NIL	09.05.2020	3 months	118.70
<b>TOTAL</b>	<b>376.33</b>	<b>0</b>	<b>8.89</b>			<b>385.22</b>

## 8. Stake holders Relationship Committee:

### a. Composition

Name of the Member	Position	Category
Ms. Meeta Makhan	Chairman	Independent - Non-Executive
Mr. Raj Kumar Bhargava	Member	Independent - Non-Executive
Mr. Sudhir Chamanlal Gupta	Member	Executive (Whole-Time) Director

### b. Name and Designation of Compliance Officer

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

### c. Details of Complaints received, resolved and pending during the Year 2016-17

The Company received 71 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.

## 9. General Body Meetings: -

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

Financial Year	Venue	Date	Time	Special Resolution Passed
2013-14	Airforce Auditorium, Subroto Park, New Delhi – 110 010.	20.09.2014	3.00 P.M	Yes
2014- 15	Airforce Auditorium, Subroto Park, New Delhi – 110 010.	10.09.2015	3.00 P.M	No
2015- 16	Airforce Auditorium, Subroto Park, New Delhi – 110 010.	22.07.2016	3.00 P.M	Yes

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

No Special Resolution was passed by postal ballot during the year 2016-17.

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

## 10. Means of Communication

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

# ASIAN HOTELS (WEST) LIMITED

## 11. General Shareholder Information

### a. Annual General Meeting:

Day, Date & Time : July 11, 2017 at 3.00 PM

Venue : Mapple Emerald, NH8, Rajokri, New Delhi, Delhi 110038

### b. Financial Year

April 1, 2016 to March 31, 2017

### c. Dividend Payment Date

Within 30 days from the date of AGM

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

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

The Company has paid the listing fees for the year 2016-17 to both the stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

### e. Stock Code

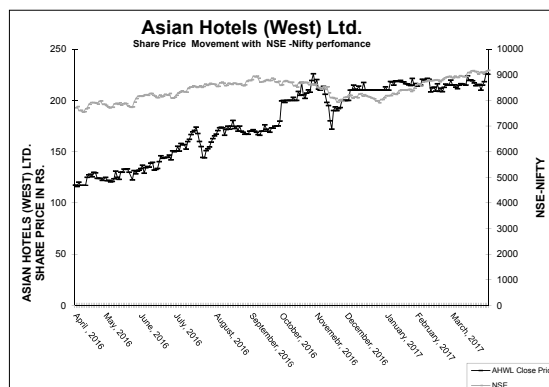
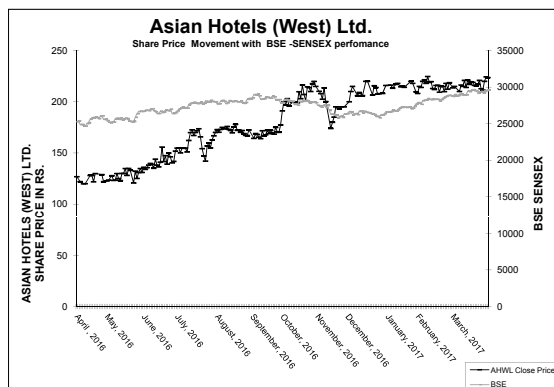
Exchange	Code
National Stock Exchange of India Limited	AHLWEST
BSE Limited	533221

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

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE for the period from 1st April, 2016 to March 31, 2017 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, 2016	135.00	112.05	4,172	135.00	110.50	10,305
May, 2016	136.00	115.25	21,580	138.90	117.00	19,524
June, 2016	158.95	126.05	39,379	162.95	130.00	7,315
July, 2016	199.00	141.95	57,407	195.00	142.05	11,014
August, 2016	184.00	159.00	22,289	190.00	160.05	9,658
September, 2016	202.00	160.00	30,041	200.00	162.00	30,154
October, 2016	227.00	187.00	70,375	220.00	185.00	11,237
November, 2016	223.95	170.00	12,997	217.00	162.00	4,793
December, 2016	219.85	200.10	10,639	220.00	200.00	1,466
January, 2017	234.00	208.00	12,749	221.00	208.10	2,014
February, 2017	228.95	190.95	24,303	226.00	205.00	3,528
March, 2017	238.90	207.00	31,525	227.00	202.00	14,298

Source: www.bseindia.com and www.nseindia.com



# ASIAN HOTELS (WEST) LIMITED

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

	31.03.2017	01.04.2016	Change (%)
Share prices of AHWL (Rs.)(BSE)	227.00	112.00	103
V/s BSE Sensex	29620.50	25269.64	17
Share prices of AHWL (Rs.) (NSE)	223.05	117.35	90
V/s NSE Nifty	9173.75	7713.05	19

## h. Share Transfer Agent

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

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

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

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

## j. Distribution of shareholders

Number of equity shares held	As on March 31, 2017				As on March 31, 2016			
	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	13255	97.11	685604	5.98	14256	97.05	7369320	6.43
501-1000	220	1.61	156538	1.37	241	1.64	171247	1.49
1001-2000	66	0.48	91105	0.80	75	0.51	104447	0.91
2001-3000	28	0.21	68285	0.60	31	0.21	74633	0.65
3001-4000	10	0.07	34250	0.30	15	0.10	51297	0.45
4001-5000	9	0.07	41732	0.36	9	0.06	40891	0.36
5001-10000	16	0.12	105671	0.92	16	0.11	106089	0.93
10000 - above	43	0.33	10275118	89.67	47	0.32	1017277	88.78
<b>TOTAL</b>	<b>13647</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>	<b>14690</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

## Category wise shareholding

CATEGORY	As on March 31, 2017		As on March 31, 2016	
	No. of shares held	% age of Share-holding	No. of shares held	% age of Share-holding
<b>A. Promoters Shareholding</b>				
– Indian	2148438	18.75	2032815	17.74
– Foreign	5336880	46.58	5336880	46.58
<b>Total Promoters shareholding</b>	<b>7485318</b>	<b>65.33</b>	<b>7369695</b>	<b>64.32</b>
<b>B. Public Shareholding</b>				
– Mutual Funds/Financial Institutions/ Banks and Insurance Companies	102016	0.89	126770	1.11
– FI's	2919	0.03	2919	0.03

# ASIAN HOTELS (WEST) LIMITED

CATEGORY	As on March 31, 2017		As on March 31, 2016	
	No. of shares held	% age of Share-holding	No. of shares held	% age of Share-holding
– NRI's	760299	6.64	775456	6.77
– Bodies Corporate (Domestic)	1048937	9.15	1052742	9.19
– Individuals (Indian Public)	2037193	17.78	2110721	18.42
– Trusts	–	0.00	278	0.00
– Clearing Members	2781	0.02	882	0.01
– Foreign Bodies	18840	0.16	18840	0.16
<b>Total Public shareholding</b>	<b>3972985</b>	<b>34.67</b>	<b>4088608</b>	<b>35.68</b>
<b>GRAND TOTAL</b>	<b>11458303</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

## k. Dematerialization & Liquidity of Shares

The ISIN allotted by NSDL and CDSL is INE915K01010. Total 1,11,57,763 equity shares (equivalent to 97.38 %) of the total equity shares of the company are held in dematerialized form as on March 31, 2017. The shares are regularly traded at BSE & NSE.

## l. Outstanding Convertible instruments

As of March 31, 2017, there are no outstanding convertible instruments.

## m. Plant Locations

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

### HYATT REGENCY, MUMBAI

Sahar Airport Road,  
Andheri East, Mumbai - 400099.

## n. Address for Correspondence

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

### ASIAN HOTELS (WEST) LIMITED

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

## o. Unpaid/Unclaimed Dividend

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

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

Financial Year	Cases	Unclaimed Dividend as on 31.03.2017 (Rs.)	Due Date for transfer to IEPF *
2009-2010	2203	419445	24.10.2017
2010-2011	1803	511124	27.08.2018
2011-2012	2025	527036	17.10.2019
2012-2013	2407	345140	05.10.2020
2013-2014	3508	299532	25.10.2021
2014-2015	3260	226477	16.10.2022
2015-2016	3757	5654189	28.08.2023

\* Indicative dates, actual dates may vary.

# ASIAN HOTELS (WEST) LIMITED

## 12. OTHER DISCLOSURES

### a. Materially Significant Related Party Transactions

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

### b. Compliances

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

### c. Whistle Blower Mechanism

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

### d. Compliance with mandatory requirements and adoption of the non-mandatory requirements

All mandatory requirements of Listing Regulations have been appropriately complied with and the status of non-mandatory requirements is given below:

- i. The Chairman of the Company is an Executive Chairman and hence the provisions for Non-Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with.
- ii. The Financial Statements are free from any Audit Qualifications.

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

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

In terms of Clause 34(3) of the Listing Regulation, 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.	825 number of shareholders and the outstanding shares are 65745.
2.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	6
3.	Number of shareholders to whom shares were transferred from suspense account during the year.	6
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	819 number of shareholders and the outstanding shares are 63676

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

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

To

The Members of Asian Hotels (West) Limited.

We have examined the compliance of regulations of Corporate Governance by Asian Hotels (West) Limited for the year ended March 31, 2017, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

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

Place: New Delhi  
Date: June 5, 2017

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

# ASIAN HOTELS (WEST) LIMITED

ANNEXURE 6 TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED March 31, 2017

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

## I. REGISTRATION AND OTHER DETAILS:

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

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held (Equity)	Applicable Section
1	Aria Hotels And Consultancy Services Pvt. Ltd.	U74140DL2007PTC163275	Subsidiary	82.49	2(87) (ii)

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

### i) Category-wise Share Holding

Category of Shareholders	No. of Share held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Share	Demat	Physical	Total	% of total Share	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2032815	Nil	2032815	17.74	2148438	Nil	2148438	18.75	1.01
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(S)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks/ FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub- total (A) (1) :-</b>	<b>2032815</b>	<b>Nil</b>	<b>2032815</b>	<b>17.74</b>	<b>2148438</b>	<b>Nil</b>	<b>2148438</b>	<b>18.75</b>	<b>1.01</b>



# ASIAN HOTELS (WEST) LIMITED

Category of Shareholders		No. of Share held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Share	Demat	Physical	Total	% of total Share	
<b>(2)</b>	<b>Foreign Equity etc):</b>									
a)	NRIs –Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)	Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)	Bodies Corp.	5336880	Nil	5336880	46.58	5336880	Nil	5336880	46.58	Nil
d)	Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)	Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-total (A) (2):-</b>	<b>5336880</b>	<b>Nil</b>	<b>5336880</b>	<b>46.58</b>	<b>5336880</b>	<b>Nil</b>	<b>5336880</b>	<b>46.58</b>	<b>Nil</b>
	<b>Total shareholding of Promoter (A) =(A) (1)+(A)(2)</b>	<b>7369695</b>	<b>Nil</b>	<b>7369695</b>	<b>64.32</b>	<b>7485318</b>	<b>Nil</b>	<b>7485318</b>	<b>65.33</b>	<b>1.01</b>
<b>B.</b>	<b>Public Shareholding</b>									
<b>1.</b>	<b>Institutions</b>									
a)	Mutual Funds	6670	230	6900	0.06	6670	230	6900	0.06	Nil
b)	Banks / FI	113303	6567	119870	1.05	88549	6567	95116	0.83	-0.22
c)	Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)	State Govt. (S)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g)	FII's	2534	385	2919	0.03	2534	385	2919	0.03	Nil
h)	Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i)	Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Sub-total (B)(1):-</b>	<b>122507</b>	<b>7182</b>	<b>129689</b>	<b>1.13</b>	<b>97753</b>	<b>7182</b>	<b>104935</b>	<b>0.92</b>	<b>-0.21</b>
<b>2.</b>	<b>Non- Institutions</b>									
a)	Bodies Corp.	1046379	6171	1052550	9.19	1042296	6171	1048467	9.15	-0.04
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	781984	226661	1008645	8.80	700543	219127	919670	8.03	-0.77
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1102268	Nil	1102268	9.62	1117715	Nil	1117715	9.75	0.13
c)	Others (specify)									
i.	Foreign Bodies	18840	Nil	18840	0.16	18840	Nil	18840	0.16	Nil
ii.	Clearing Member	882	Nil	882	0.01	2781	Nil	2781	0.02	Nil
iii.	Non Resident Indian	702119	73337	775456	6.77	692239	68060	760299	6.54	-0.23
iv.	Trust	278	Nil	278	0.00	278	Nil	278	0.00	Nil
	<b>Sub-total(B)(2):-</b>	<b>3652750</b>	<b>306169</b>	<b>3958919</b>	<b>34.55</b>	<b>3574692</b>	<b>293358</b>	<b>3868050</b>	<b>33.76</b>	<b>-0.79</b>
	<b>Total Public Shareholding (B)=(B) (1)+ (B)(2)</b>	<b>3775257</b>	<b>313351</b>	<b>4088608</b>	<b>35.68</b>	<b>3672445</b>	<b>300540</b>	<b>3972985</b>	<b>34.67</b>	<b>-1.01</b>

# ASIAN HOTELS (WEST) LIMITED

Category of Shareholders		No. of Share held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Share	Demat	Physical	Total	% of total Share	
C.	Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>		<b>11144952</b>	<b>313351</b>	<b>11458303</b>	<b>100</b>	<b>11157763</b>	<b>300540</b>	<b>11458303</b>	<b>100</b>	

## ii) Shareholding of Promoters:

S. No	Shareholding at the beginning of the year				Shareholding at the end of the year			
	Shareholder's Name	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	D.S.O Limited	5336880	46.58	Nil	5336880	46.58	Nil	Nil
2.	Chaman Lal Gupta And Sons HUF	500287	4.37	Nil	500287	4.37	Nil	Nil
3.	Sushil Kumar Gupta	413612	3.61	Nil	413612	3.61	Nil	Nil
4.	Sudhir Chamanlal Gupta	214290	1.87	Nil	214290	1.87	Nil	Nil
5.	Vinita Gupta	408926	3.57	Nil	408926	3.57	Nil	Nil
6.	Sandeep Gupta	232900	2.03	Nil	397523	3.47	Nil	1.44
7.	Gunjan Jain	77700	0.68	Nil	77700	0.68	Nil	Nil
8.	Renu Arun Aggarwal	49500	0.43	Nil	49500	0.43	Nil	Nil
9.	Madhu Jain	49500	0.43	Nil	500	0.00	Nil	-0.43
10.	Pankaj Gupta	45150	0.39	Nil	55275	0.48	Nil	0.09
11.	Asha Kiran Gupta	33750	0.29	Nil	Nil	0.00	Nil	-0.29
12.	Jyotsana Amal Karl	4200	0.04	Nil	14325	0.12	Nil	0.08
13.	Sonal Sharma	3000	0.03	Nil	16500	0.15	Nil	0.12
	<b>TOTAL</b>	<b>7369695</b>	<b>64.32</b>	<b>Nil</b>	<b>7485318</b>	<b>65.33</b>	<b>NIL</b>	<b>1.01</b>

## iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
	AT THE BEGINNING OF THE YEAR	<b>7369695</b>	<b>64.32</b>				7369695	64.32
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):							
1.	Mr. Sandeep Gupta	<b>232900</b>	<b>2.03</b>	01-04-2016				

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				08-04-2016	171	Open Market Purchase	233071	2.03
				15-04-2016	207		233278	2.04
				06-05-2016	180		233458	2.04
				13-05-2016	717		234175	2.04
				24-06-2016	5307		239482	2.09
				30-06-2016	11746		251228	2.19
				01-07-2016	90		251318	2.19
				08-07-2016	2642		253960	2.22
				15-07-2016	10743		264703	2.31
				22-07-2016	4272		268975	2.35
				02-09-2016	2049		271024	2.37
				09-09-2016	4182		275206	2.40
				16-09-2016	3538		278744	2.43
				23-09-2016	4320		283064	2.47
				30-09-2016	3122		286186	2.50
				07-10-2016	5563		291749	2.55
				14-10-2016	1066		292815	2.56
				21-10-2016	22735		315550	2.75
				28-10-2016	226		315776	2.76
				04-11-2016	34396		350172	3.06
				11-11-2016	1231		351403	3.07
				25-11-2016	1407		352810	3.08
				02-12-2016	4719		357529	3.12
				09-12-2016	1863		359392	3.14
				16-12-2016	381		359773	3.14
				23-12-2016	442		360215	3.14
				30-12-2016	2241	362456	3.16	
				13-01-2017	3344	365800	3.19	
				20-01-2017	1225	367025	3.20	
				27-01-2017	804	367829	3.21	
				03-02-2017	2378	370207	3.23	
				10-02-2017	354	370561	3.23	
				24-02-2017	1726	372287	3.25	
				03-03-2017	13261	385548	3.36	
				10-03-2017	6051	391599	3.42	
				17-03-2017	2242	393841	3.44	
				24-03-2017	1323	395164	3.45	
				31-03-2017	2359	397523	3.47	
		<b>397523</b>	<b>3.47</b>	31-03-2017				

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
2.	Ms. Madhu Jain	49500	0.43	01-04-2016				
				15-07-2016	-49000	Off Market	500	0.00
		500	0.00	31-03-2017				
3	Mr. Pankaj Gupta	45150	0.39	01-04-2016				
				17-06-2016	33750	Off Market	78900	0.69
				21-10-2016	-23625	Off Market	55275	0.48
		55275	0.48	31-03-2017				
4	Mrs Asha Kiran Gupta	33750	0.29	01-04-2016				
					-33750	Off Market	0	0
		0	0	31-03-2017				
5	Ms. Jyotsna Amal Karl	4200	0.04	01-04-2016				
					10125	Off Market	14325	0.12
		14325	0.12	31-03-2017				
6	Ms. Sonal Sharma	3000	0.03	01-04-2016				
		16500	0.15	31-03-2017	13500	Off Market	16500	0.15
	<b>AT THE END OF THE YEAR</b>	<b>7485318</b>	<b>65.33</b>	<b>31.03.2017</b>			<b>7485318</b>	<b>65.33</b>

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

S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Radhe Shyam Saraf	572071	4.99	01-04-2016	Nil	N.A	Nil	Nil
		572071	4.99	31-03-2017				
2.	Anita Rajgarhia	571061	4.98	01-04-2016	Nil	N.A	Nil	Nil
		571061	4.98	31-03-2017				
3.	Asian Hotels (East) Limited	458377	4.00	01-04-2016	Nil	N.A	Nil	Nil
		458377	4.00	31-03-2017				
4.	Makalu Trading Ltd.	136604	1.19	01-04-2016	Nil	N.A	Nil	Nil
		136604	1.19	31-03-2017				
5.	Sunil Hanskrishna Khanna	91087	0.79	01-04-2016	Nil	N.A	Nil	Nil

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
		<b>91087</b>	<b>0.79</b>	31-03-2017				
6.	Ramesh Kumar Jatia	75190	0.66	01-04-2016	Nil	N.A	Nil	Nil
		<b>75190</b>	<b>0.66</b>	31-03-2017				
7.	Burmans Finvest Pvt. Ltd.	71608	0.62	01-04-2016	Nil	N.A	Nil	Nil
		<b>71608</b>	<b>0.62</b>	31-03-2017				
8.	Dinesh Jain	23470	0.20	01-04-2016				
				17-06-2016	-1150	Open Market	22320	0.19
				15-07-2016	49000	Off Market	71320	0.62
		<b>71320</b>	<b>0.62</b>	31-03-2017				
9.	Asian Hotels (West) Limited –Unclaimed Suspense Account	65745	0.58	01-04-2016				
				30-06-2016	-52	Transfer	66693	0.58
				15-07-2016	-1417	Transfer	65276	0.57
				11-11-2016	-150	Transfer	65126	0.57
				09-12-2016	-450	Transfer	64676	0.56
		<b>63676</b>	<b>0.56</b>	31-03-2017				
10.	Punjab National Bank	63199	0.55	01-04-2016	Nil	N.A	Nil	Nil
		<b>63199</b>	<b>0.55</b>	31-03-2017				

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

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

S. No	Name of the Director/ KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Sushil Kumar Gupta	413612	3.61	01-04-2016	Nil	N.A	Nil	Nil
		<b>413612</b>	<b>3.61</b>	31-03-2017				
2.	Mr. Sandeep Gupta	232900	2.03	01.04.2016				

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Director/ KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04- 2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03- 2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				08-04-2016	171	Open Market Purchase	233071	2.03
				15-04-2016	207		233278	2.04
				06-05-2016	180		233458	2.04
				13-05-2016	717		234175	2.04
				24-06-2016	5307		239482	2.09
				30-06-2016	11746		251228	2.19
				01-07-2016	90		251318	2.19
				08-07-2016	2642		253960	2.22
				15-07-2016	10743		264703	2.31
				22-07-2016	4272		268975	2.35
				02-09-2016	2049		271024	2.37
				09-09-2016	4182		275206	2.40
				16-09-2016	3538		278744	2.43
				23-09-2016	4320		283064	2.47
				30-09-2016	3122		286186	2.50
				07-10-2016	5563		291749	2.55
				14-10-2016	1066		292815	2.56
				21-10-2016	22735		315550	2.75
				28-10-2016	226		315776	2.76
				04-11-2016	34396		350172	3.06
				11-11-2016	1231	351403	3.07	
				25-11-2016	1407	352810	3.08	
				02-12-2016	4719	357529	3.12	
				09-12-2016	1863	359392	3.14	
				16-12-2016	381	359773	3.14	
				23-12-2016	442	360215	3.14	
				30-12-2016	2241	362456	3.16	
				13-01-2017	3344	365800	3.19	
				20-01-2017	1225	367025	3.20	
				27-01-2017	804	367829	3.21	
				03-02-2017	2378	370207	3.23	

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Director/ KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04- 2016 to 31-03-2017)	
		No of Shares at the beginning (01-04-2016) / end of the year (31-03- 2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				10-02-2017	354	Open Market Purchase	370561	3.23
				24-02-2017	1726		372287	3.25
				03-03-2017	13261		385548	3.36
				10-03-2017	6051		391599	3.42
				17-03-2017	2242		393841	3.44
				24-03-2017	1323		395164	3.45
				31-03-2017	2359		397523	3.47
		<b>397523</b>	<b>3.47</b>	31-03-2017				
3.	Mr. Sudhir Chamanlal Gupta	214290	1.87	01-04-2016	Nil	N.A	Nil	Nil
		<b>214290</b>	<b>1.87</b>	31-03-2017				
4.	Dr. Lalit Bhasin	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
5.	Mr. Raj Kumar Bhargava	3826	0.03	01-04-2016				
				22-07-2016	3674	Open Market Sale	152	Nil
				29-07-2016	152	Open Market Sale	Nil	
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
6	Mr. Surendra Singh Bhandari	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
7.	Mr. Sunil Vasant Diwakar	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
8.	Mr. Surinder Singh Kohli	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
9.	Mrs. Meeta Makhan	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
10.	Mr. Rakesh Kumar Aggarwal	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				
11.	Mr. Vivek Jain	Nil	Nil	01-04-2016	Nil	N.A	Nil	Nil
		<b>Nil</b>	<b>Nil</b>	31-03-2017				

# ASIAN HOTELS (WEST) LIMITED

## V. INDEBTEDNESS

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

(Amount in Rs.)

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
a)	Principal Amount	1,63,69,65,024	2,07,00,000	Nil	1,65,76,65,024
b)	Interest due but not paid	Nil	Nil	Nil	Nil
c)	Interest accrued but not due	1,59,75,159	Nil	Nil	1,59,75,159
	<b>Total (i+ii+iii)</b>	<b>1,65,29,40,182</b>	<b>2,07,00,000</b>	<b>Nil</b>	<b>1,67,36,40,182</b>
<b>Change in Indebtedness during the financial year</b>					
	Addition	1,96,69,68,000	Nil	Nil	1,96,69,68,000
	Reduction	1,58,52,63,086	2,07,00,000	Nil	1,60,59,63,086
	<b>Net Change</b>	<b>38,17,04,914</b>	<b>(2,07,00,000)</b>	<b>Nil</b>	<b>36,10,04,914</b>
<b>Indebtedness at the end of the financial year</b>					
a)	Principal Amount	2,01,86,69,938	Nil	Nil	2,01,86,69,938
b)	Interest due but not paid	Nil	Nil	Nil	Nil
c)	Interest accrued but not due	1,91,96,195	Nil	Nil	1,91,96,195
	<b>Total (i+ii+iii)</b>	<b>2,03,78,66,133</b>	<b>Nil</b>	<b>Nil</b>	<b>2,03,78,66,133</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.lacs)

Sl. No	Particulars of Remuneration		Name of MD/WTD/Manager			Total Amount
			Mr. Sushil Kumar Gupta, CMD	Mr. Sudhir Chamanlal Gupta, WTD	Mr. Sandeep Gupta, WTD	
1	<b>Gross Salary</b>					
	a)	Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961	128.50	110.41	110.02	348.93
	b)	Value of perquisites u/s 17 (2) Income –tax Act, 1961	0.40	0.40	0.40	1.20
	c)	Profits in Lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil	Nil
4.	Commission		Nil	Nil	Nil	Nil
	-	As % of profit				
	-	Other, specify...				
5.	Other: Employer Contribution to Provident Fund		9.64	8.28	8.28	26.20
	<b>Total (A)</b>		<b>138.54</b>	<b>119.09</b>	<b>118.70</b>	<b>376.33</b>
	Ceiling as per the Act					720.00



# ASIAN HOTELS (WEST) LIMITED

## b. Remuneration to other directors:

(Amount in Rs. lacs)

Sl. No	Particulars of Remuneration		Name of Directors					Total Amount
			Mr. Raj Kumar Bhargava	Dr. Lalit Bhasin	Mr. Surendra Singh Bhandari	Mr. Surinder Singh Kohli	Mrs. Meeta Makhan	
1.	<b>Independent Directors</b>							
	a)	Fee for attending board committee meetings	2.54	1.20	1.95	1.80	1.05	8.54
	b)	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	c)	Others, please specify-conveyance	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>		<b>2.54</b>	<b>1.20</b>	<b>1.95</b>	<b>1.80</b>	<b>1.05</b>	<b>8.54</b>
2.	<b>Other Non-Executive Director</b>		<b>Mr. Sunil Diwakar</b>					
	a)	Fees for attending board committee meetings	0.35	Nil	Nil	Nil	Nil	0.35
	b)	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	c)	Other, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>		<b>0.35</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>0.35</b>
	<b>Total (B) =(1 + 2)</b>							<b>8.89</b>
	Total Managerial Remuneration							<b>385.22</b>
	Overall Ceiling as per the Act*							<b>720.00</b>

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

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

(Amount in Rs. lacs)

Sl No.	Particulars of Remuneration		CEO	CFO	Company Secretary	Total
1.	<b>Gross Salary</b>			<b>Mr. Rakesh Kumar Aggarwal</b>	<b>Mr. Vivek Jain</b>	
	(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act. 1961	N.A	51.95	29.04	80.99
	(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	N.A	0.40	Nil	0.40
	(c)	Profit in lieu of salary under section 17(3) of Income tax Act, 1961	N.A	Nil	Nil	Nil
2.	Stock Option		N.A	N.A	N.A	N.A
3.	Sweat Equity		N.A	N.A	N.A	N.A
4.	Commission		N.A	N.A	N.A	N.A
	-	as % of profit	N.A	N.A	N.A	N.A
	-	other, specify	N.A	N.A	N.A	N.A
5.	Others, please specify employer contribution to provident fund			3.00	1.43	4.43
	<b>Total</b>			<b>55.35</b>	<b>30.47</b>	<b>85.82</b>

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

There were no penalties/ Punishment/ Compounding of offences for the year ending March 31, 2017.

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable during the period of audit)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, [herein after referred to as SEBI (LODR), 2015].
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable during the period of audit);
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable as the Company has not formulated any Employee Stock Option Purchase Scheme );
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during the period of audit);
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable during the period of audit); and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable during the period of audit)
- (vi) We further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management:-
  - i. Applicable Labour Laws;
  - ii. Applicable direct and indirect tax laws;
  - iii. Prevention of Money Laundering Act 2002;
  - iv. Food Safety And Standards Act, 2006;

# ASIAN HOTELS (WEST) LIMITED

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- v. Legal Metrology Act, 2009 and rules and regulations thereunder;
- vi. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder;
- vii. The Air (Prevention and Control of Pollution) Act 1981 and rules made thereunder;
- viii. The Environment (Protection) Act, 1986 and rules made thereunder;
- ix. The Bombay Entertainments Duty Act, 1923;
- x. The Maharashtra Tax On Luxuries Act, 1987;

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India and
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company has following events:-

- a) The Company has passed the special resolution in its last annual general meeting held on 22nd July, 2016 for conversion of debt into equity shares pursuant to section 62(3) and other applicable provisions of the Companies Act, 2013 however, no such conversion has been taken place during the audit period.
- b) Further, the Company has also passed the resolution in its last annual general meeting held on 22nd July, 2016 for approval of entering into material related party transactions in terms of regulation 23 of SEBI (LODR), 2015.

**For PI & Associates,  
Company Secretaries**

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

Date: 05<sup>th</sup> June, 2017  
Place: New Delhi

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

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

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

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

**For PI & Associates,  
Company Secretaries**

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

Date: 05th June, 2017  
Place: New Delhi

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 8 TO THE DIRECTORS' REPORT

### FORM NO. AOC-2

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

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

- A. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2017 (Not Applicable)**
- B. Details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2017 are as follows**

Sl. No	Name of Related Party and Nature of relationship	Nature of Contract/ arrangements/ transactions	Duration of Contract / arrangements/ transactions	Sailent terms of the Contracts or arrangements or transactions including the value, if any:	Amount Paid as advance, if any (amount in Rs.) for FY 16-17
1	Aria Hotels and consultancy services pvt ltd (Subsidiary of the Company)	Rental income from rent of mercedez Car	Monthly Transaction	Receipt of Rental Income for renting of 4 Mercedes Car in terms of Agreement dated 20th September, 2012 effective from 1st November 2013 till 31st October, 2017 for renting of 4 Mercedes Cars entered into by the Company with Aria.	15,00,000
2		Service tax cost on IFRSD on commercial space acquired by company in JW Marriott commercial Tower	Monthly Transaction	Payment of Service Tax on Interest Free Refundable Security Deposit for commercial space acquired by Company in the J.W. Marriott Hotel Commercial Tower in terms of following Agreements entered into with Aria: i) Agreement dated 18th September, 2012 (valid upto 1st May, 2036 further extension of 30 Years) for commercial space on 6th Floor (Unit 6AD) at Aria Towers, J.W. Marriott. Company has further sublicensed the space to Michelle Susan Dell Foundation ii) Agreement dated 20th February, 2013 (valid upto 19th February, 2028) for commercial space on 6th Floor (Unit 6BC) at Aria Towers, J.W. Marriott. Company is using the space to for its corporate office.	62,24,500
3		Annual license fees paid on space acquired in JWM commercial tower	Yearly Transaction	Annual License Fee for commercial space acquired by Company in the J.W. Marriott Hotel Commercial Tower in terms of following Agreements entered into with Aria: i) Agreement dated 18th September, 2012 (valid upto 1st May, 2036 further extension of 30 Years) for commercial space on 6th Floor (Unit 6AD) at Aria Towers, J.W. Marriott. Company has further sublicensed the space to Michelle Susan Dell Foundation ii) Agreement dated 20th February, 2013 (valid upto 19th February, 2028) for commercial space on 6th Floor (Unit 6BC) at Aria Towers, J.W. Marriott. Company is using the space to for its corporate office.	8,83,888
4		Unsecured loan given	Yearly Transaction	For financial Support to Aria Hotels And Consultancy Services Pvt. Ltd.	15,00,00,000
5		M/s Bhasin & Company	Professional services	Event Based	Professional Fee / Re-imbusement of expenses for advise on legal matter/ appearance fee / re-imbusement of expenses etc. for various legal matters.

# ASIAN HOTELS (WEST) LIMITED

Sl. No	Name of Related Party and Nature of relationship	Nature of Contract/ arrangements/ transactions	Duration of Contract / arrangements/ transactions	Sailent terms of the Contracts or arrangements or transactions including the value, if any:	Amount Paid as advance, if any (amount in Rs.) for FY 16-17
6	Ms. Sukriti Gupta	Professional services	Monthly Transaction	Consultancy Fees @Rs. 50,000/- per month	6,00,000
7	Mr. Sidharth Aggarwal	Professional services	Event Based	Professional Fee / Re-imbusement of expenses for advise on legal matter/ appearance fee / re-imbusement of expenses etc. for various legal matters.	4,72,850

- Appropriate approval have been taken for Related Party Transaction in the Audit Committee Meeting(s) and Board Meeting(s), respectively.
- Details of all Related Party Transextions are given in note no 35 of the Financial Statement for the Financial Year ended March 31, 2017.

## ANNEXURE 9 TO THE DIRECTORS' REPORT

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

#### A) CONSERVATION OF ENERGY

S. No.	Energy conservation measure taken during the year 2016-17	Impact (savings in Lac Rs. per annum)
1	Installation of frequency drives for condenser water pumps.	12.6
2	Back of the house tube light and CFL replacement with LED.	6.8
	<b>Total savings</b>	<b>19.4</b>

S. No.	Steps taken for procuring cheaper power through alternate source during the year 2016-17	Impact (savings in Lac Rs. per annum)
1	The Company has actively negotiated and enters into a Power Purchase Agreement under Open Access Scheme to buy cheaper power effective 1st May 2016 onwards up to an average of 90% of its total consumption. The company made huge savings during the year.	283.5
	<b>Total savings</b>	<b>283.5</b>

S. No.	Additional Investment – proposal for the year 2017-18	Impact (savings in Lac Rs. per annum)
1	Energy efficient AHU replacement (Fans and coils).	10.0
2	Injection of thermal fluid in primary circuit of Heat pump.	4.0
3	Installation of frequency drives for Treated fresh air units.	3.8
	<b>Total savings</b>	<b>17.8</b>

#### 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 & Outgo

(Rs. in Lacs)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Foreign Exchange earnings (on accrual basis)	<b>6658.02</b>	6962.21
Foreign Exchange outgo (on accrual basis)	<b>1562.53</b>	1418.82

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMMES.

The policy on Corporate Social Responsibility (CSR) is adopted by the Company to initiate measures and pursue socially useful programmes with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made there under.

The core elements of the CSR is the continuing commitment by business to ethical principles, protection of human rights, care for the environment while improving the quality of life of all the stakeholders including local community and society at large.

The Company would carry out its CSR activities with the objective of overall community development and for philanthropic activities. The Company shall undertake any of the following activity/activities:

- i. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependants;
- vii. Training to promote rural sport, nationally recognised sports, paralympic sports and Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x. Rural development projects.
- xi. Such other matters as may be prescribed under applicable statute;
- xii. Such other activity as may be thought fit by the CSR Committee and approved by the Board.

Web Link: <http://asianhotelswest.com/policies>

### 2. THE COMPOSITION OF THE CSR COMMITTEE.

- Mr. Sudhir Chamanlal Gupta, Chairman of the Committee
- Mr. Raj Kumar Bhargava, Member
- Mr. Surendra Singh Bhandari, Member

### 3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS: (Rs 88.54) Lacs.

4. PRESCRIBED CSR EXPENDITURE (2 % OF THE AMOUNT AS IN ITEM 3 ABOVE)	: NIL
Add: unspent amount on CSR activities in the previous FY (2015-16)	: Rs. 10.70 Lacs
Total Amount to be spent on CSR activities in the FY 2016-17	: <b>Rs. 10.70 Lacs</b>

### 5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR 2016-17.

- |                       |                  |
|-----------------------|------------------|
| a) Total amount spent | : Rs.5.00 Lacs/- |
| b) Amount unspent     | : Rs.5.70 Lacs/- |

# ASIAN HOTELS (WEST) LIMITED

c) Manner in which the amount spent during the financial year is detailed below.

(Rs. in Lakhs)

S. No.	Csr project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) program wise	Amount spent on the projects or programs sub-heads: (1) direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: direct or through implementing agency
1.	Welfare of the people belonging to Scheduled Castes and other backward communities.	Education	Harijan Sewak Sangh , Kasturba Balika Vidyalaya, Ishwar Nagar, New Delhi - 110 025	2.50	2.50	2.50	Direct
2.	Free Coaching Centre for about 120 poor children studying in classes V to IX in the Government and MCD schools.	Education	Ramakrishna Mission, New Delhi	2.50	2.50	5.00	Direct
	<b>TOTAL</b>				<b>5.00</b>	<b>5.00</b>	

During the year, the provisions of section 135(5) of Companies Act, 2013 doesn't apply on the Company. However, during the year the Company has spent Rs. 5 Lacs on CSR activities out of the un-spent amount of previous year's (amounting to Rs. 10.70 Lacs) as per the CSR policy of the Company. The residual amount shall be spent as per the CSR policy in FY 2017-18.

The Company agrees that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the company.

**For Asian Hotels (West) Limited**

Sd/-  
Sushil Kumar Gupta  
Chairman & Managing Director

Sd/-  
Sudhir Chamanlal Gupta  
Chairman of CSR Committee

## DECLARATION REGARDING CODE OF CONDUCT

To  
The Members of  
Asian Hotels (West) Limited

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

**For Asian Hotels (West) Limited**

Sushil Kumar Gupta  
Chairman & Managing Director  
DIN (00006165)

Place : New Delhi  
Date : June 5, 2017



# ASIAN HOTELS (WEST) LIMITED

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## Independent Auditors' Report

To the Members of Asian Hotels (West) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Asian Hotels (West) Limited ("the Company"), which comprise the balance sheet as at March 31, 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
  - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements as referred to in Note 26 to the standalone financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in note 47 to these financial statements as to the holding of Specified Bank Notes on 8 November, 2016 and 30 December, 2016 as well as dealing in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedure and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For **S.S.KOTHARI MEHTA & Co.**  
Chartered Accountants  
Firm's Registration No. 000756N

**Sunil Wahal**  
Partner  
Membership No. 087294

Place: New Delhi  
Date: May 26, 2017

# ASIAN HOTELS (WEST) LIMITED

## Annexure A to the Independent Auditor's Report to the members of Asian Hotels (West) Limited dated May 26, 2017.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
- (b) The fixed assets have been physically verified by the management during the year, the frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) In our opinion, and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- ii. The Management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. (a) The Company has granted interest free unsecured loans to its subsidiary company Aria Hotels & Consultancy Services Private Limited, covered in the register maintained under Section 189 of the Act.
- (b) The terms and conditions of the grant of such loans are not prejudicial to the Company's interest;
- (c) The loan given is repayable on demand and hence there is no overdue amount as on the date and the relevant reporting is not applicable.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act, as applicable, in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- v. 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 directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder.
- vi. 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 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. 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, as applicable, 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, 2017 for a period of more than six months from the date they became payable.
- b. According to the records of the Company, the details of dues of Income-tax, Sales-tax, Wealth-tax, Service-tax, Customs Duty, Excise Duty and Value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending, are as follows :

Name of the statute	Period for which the amount relates (Financial year)	Nature of dues	Forum where the dispute is pending	Amount (Rupees in lacs)
Maharashtra Value Added Tax Act, 2002	2010-11	VAT assessment demand	Joint Commissioner of Sales Tax (Appeal)	244.70
Maharashtra Value Added Tax Act, 2002	2011-12	VAT assessment demand	Joint Commissioner of Sales Tax (Appeal)	87.13
Maharashtra Value Added Tax Act, 2002	2012-13	VAT assessment demand	Joint Commissioner of Sales Tax (Appeal)	55.40
Finance Act, 1994	2007-08 to 2011-12	Service tax demand	Commissioner of Service Tax, Mumbai-1	515.51

- viii. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer. Further, term loans taken during the year were applied for the purpose for which the loans were obtained.
- x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

- xi. In our opinion, and according to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 177 and section 188 of the Act and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the books of account, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence not commented upon.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.S.KOTHARI MEHTA & Co.**  
Chartered Accountants  
Firm's Registration No. 000756N

**Sunil Wahal**  
Partner  
Membership No. 087294

Place: New Delhi  
Date: May 26, 2017

## **Annexure B to the Independent Auditor's Report to the Members of Asian Hotels (West) Limited on its standalone financial statements**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of

material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S.S.KOTHARI MEHTA & Co.**  
Chartered Accountants  
Firm's Registration No. 000756N

**Sunil Wahal**  
Partner  
Membership No. 087294

Place: New Delhi  
Date: May 26, 2017

# ASIAN HOTELS (WEST) LIMITED

BALANCE SHEET AS AT MARCH 31, 2017

(Rs. in Lacs)

	NOTES	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	1,145.83	1,145.83
Reserves and Surplus	4	26,640.56	27,045.20
<b>Total shareholders' fund</b>		<b>27,786.39</b>	<b>28,191.03</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	5	20,121.20	15,378.18
Deferred tax liabilities (Net)	6	2,439.56	2,690.46
Other long term liabilities	7	253.12	254.42
Long - term provisions	8	358.44	285.51
<b>Total non - current liabilities</b>		<b>23,172.32</b>	<b>18,608.57</b>
<b>CURRENT LIABILITIES</b>			
Short term borrowings	9	403.90	183.55
Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		528.79	580.89
Other current liabilities	11	1,335.17	2,888.41
Short - term provisions	8	180.78	284.76
<b>Total current liabilities</b>		<b>2,448.64</b>	<b>3,937.61</b>
<b>Total</b>		<b>53,407.35</b>	<b>50,737.21</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets	12		
Tangible Assets		24,442.01	24,318.10
Capital work-in-progress		804.09	913.43
Non-current Investments	13	19,741.00	19,741.00
Long term Loans and Advances	14	4,524.04	3,707.96
<b>Total non - current assets</b>		<b>49,511.14</b>	<b>48,680.49</b>
<b>CURRENT ASSETS</b>			
Inventories	15	336.43	318.19
Trade receivables	16	703.64	473.29
Cash and cash equivalents	17	388.52	333.22
Short - term loans and advances	14	2,396.95	909.38
Other current assets	18	70.67	22.64
<b>Total current assets</b>		<b>3,896.21</b>	<b>2,056.72</b>
<b>Total</b>		<b>53,407.35</b>	<b>50,737.21</b>
<b>Significant accounting policies</b>	1-48		

Accompanying notes form an integral part of the financial statements

As per report of even date

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

Chartered Accountants

FRN : 000756N

**SUNIL WAHAL**

Partner

Membership No. : 087294

Place : New Delhi

Dated : May 26, 2017

For and on behalf of the Board of Directors of  
**ASIAN HOTELS (WEST) LIMITED**

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No. : AAAPA3338D

**SANDEEP GUPTA**

Executive  
(Whole Time) Director

DIN 00057942

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	NOTES	Year ended March 31, 2017 Rs. Lacs	Year ended March 31, 2016 Rs. Lacs
<b>INCOME</b>			
Revenue From Operations	19	13,557.38	13,157.83
Less : Excise Duty		7.09	7.52
		<b>13,550.29</b>	13,150.31
Other Income	20	542.95	426.91
<b>Total Revenue</b>		<b>14,093.24</b>	13,577.22
<b>EXPENSES</b>			
Consumption of provisions, beverages, smokes and others	21	1,244.40	1,269.29
Employee benefit expenses	22	3,626.37	3,472.70
Finance cost	23	2,790.01	2,305.96
Depreciation and amortization expense	12	1,513.75	1,465.90
Other expenses	24	5,540.59	5,736.35
<b>Total Expenses</b>		<b>14,715.12</b>	14,250.20
<b>Profit before tax and exceptional items</b>		<b>(621.88)</b>	(672.98)
Less : exceptional items		-	
Loss before tax		<b>(621.88)</b>	(672.98)
<b>Tax expense</b>			
Current Tax		34.32	-
Earlier Year Tax		(0.66)	(31.28)
Deferred Tax charge/(Credit)	6	250.90	(254.48)
<b>Loss for the year after tax</b>		<b>(404.64)</b>	(387.22)
<b>Earning per equity share (Nominal value per share Rs. 10/-)</b>	25		
Basic		<b>(3.53)</b>	(3.38)
Diluted		<b>(3.53)</b>	(3.38)
<b>Significant accounting policies</b>	1-48		

Accompanying notes form an integral part of the Financial Statements.

**As per report of even date**  
For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
FRN : 000756N

**SUNIL WAHAL**  
Partner  
Membership No. : 087294

Place : New Delhi  
Dated : May 26, 2017

**For and on behalf of the Board of Directors of**  
**ASIAN HOTELS (WEST) LIMITED**

**SUSHIL KUMAR GUPTA**  
Chairman &  
Managing Director  
DIN : 00006165  
**RAKESH KUMAR AGGARWAL**  
Chief Financial Officer  
PAN No. : AAAPA3338D

**SANDEEP GUPTA**  
Executive  
(Whole Time) Director  
DIN 00057942  
**VIVEK JAIN**  
Company Secretary  
Membership No. : FCS - 7204

# ASIAN HOTELS (WEST) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net loss before tax</b>	<b>(621.88)</b>	(672.98)
Adjustment for:		
Depreciation	1,513.75	1,465.90
(Profit)/loss on sale of fixed assets	3.38	10.75
Dividend Income on Investment	(0.07)	(7.47)
Interest expenses	2,790.01	2,305.96
Interest income	(38.55)	(0.07)
<b>Operating profit before working capital charges</b>	<b>3,646.64</b>	3,102.09
Adjustments for:		
(Increase)/Decrease in inventories	(18.24)	4.23
(Increase)/Decrease in trade receivables	(278.38)	70.04
(Increase)/Decrease in loans and advances	430.47	142.38
Increase/(Decrease) in trade payables	(52.10)	321.40
Increase/(Decrease) in other liabilities, provisions	(484.83)	(99.01)
<b>Cash generated from operations</b>	<b>3,243.56</b>	3,541.12
Direct taxes paid (Net)	(153.49)	(191.19)
<b>Net cash from Operating Activities</b>	<b>3,090.07</b>	3,349.93
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,617.79)	(1,034.98)
Sale of fixed assets	86.09	30.96
Dividend income on investment	0.07	7.47
<b>Net Cash used in Investing Activities</b>	<b>(1,531.63)</b>	(996.55)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(16,059.63)	(966.79)
Proceeds of borrowings	19,890.03	1,000.00
Loan given to subsidiary	(1,500.00)	-
Interest paid	(3,872.09)	(2,324.01)
Interest earned	38.55	0.07
<b>Net cash from/(used in) financing activities [C]</b>	<b>(1,503.14)</b>	(2,290.73)
<b>Net Increase/ (decrease) in cash equivalent [A+B+C]</b>	<b>55.30</b>	62.66
Cash and Cash equivalent (Beginning of the year)	333.22	270.56
Cash and Cash equivalent (End of the year)	388.52	333.22
	<b>March 31, '2017</b>	March 31, '2016
<b>Components of cash and cash equivalents as at</b>		
Balances with banks in current accounts	256.73	274.75
Cash on hand	6.66	6.58
Cheques in hand	45.75	27.75
Dividend accounts	79.38	24.14
	<b>388.52</b>	333.22

### Notes:

Figures in bracket represent cash outflow.

Previous Year's figures have been regrouped/rearranged wherever necessary.

### As per report of even date

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

Chartered Accountants

FRN : 000756N

### SUNIL WAHAL

Partner

Membership No. : 087294

Place : New Delhi

Dated : May 26, 2017

### For and on behalf of the Board of Directors of ASIAN HOTELS (WEST) LIMITED

### SUSHIL KUMAR GUPTA

Chairman &  
Managing Director

DIN : 00006165

### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No. : AAAPA3338D

### SANDEEP GUPTA

Executive  
(Whole Time) Director

DIN 00057942

### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204



# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### 1. Corporate Information:

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

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. These financial statements are presented in Indian Rupees (Rs).

### 2. Significant accounting policies:

#### a. Basis of accounting

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Company Act, 2013 read together with rule 7 of the Companies (Accounts) Rules, 2014 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016. 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, 1961. 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.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

- 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. Change in accounting policy

During the previous year the Company had adopted component accounting as required under Schedule II to the Companies Act, 2013 from 1 April 2015. The Company was previously not identifying components of fixed asset separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of tangible fixed assets.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its tangible fixed assets. Now, the Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

Had the company continued to use the earlier policy for depreciating tangible fixed assets, depreciation and loss for the previous year would have been lower by Rs 170.13 lacs

#### iii. Depreciation

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. The management has estimated the useful lives and residual value based on technical evidence listed below:

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

Assets purchased on or before the 15th of the month, it is depreciated from the month of purchase, otherwise from month following the month of purchase.

#### I. Investments

Investments that are readily realizable 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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

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. Shares held as Stock- in -trade are valued at cost or market value whichever is lower.
- iii. 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 / License

#### When the company is the lessee/licensee

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

#### When the company is the lessor / licensor

Assets subject to operating leases/license are included in fixed assets. Lease/License income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease/license 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 after approval of the shareholders in the Annual General Meeting of the Company.

### 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.

## 3. Share capital

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount Rs. Lacs	Number	Amount Rs. Lacs
<b>Authorised</b>				
Equity shares of Rs. 10/- each	14,000,000	1,400	1,40,00,000	1,400
Preference shares of Rs. 10/- each	11,000,000	1,100	1,10,00,000	1,100
	<b>25,000,000</b>	<b>2,500</b>	2,50,00,000	2,500
<b>Issued, subscribed &amp; paid up</b>				
Equity shares of Rs. 10/- each*	1,14,58,303	1,145.83	1,14,58,303	1,145.83
<b>Total</b>	<b>1,14,58,303</b>	<b>1,145.83</b>	<b>1,14,58,303</b>	<b>1,145.83</b>

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### a. Reconciliation of the number of shares outstanding -

	As at March 31, 2017 Number	As at March 31, 2016 Number
Equity shares outstanding at the beginning of the year	1,14,58,303	1,14,58,303
Add: issued during the year	-	-
Equity shares outstanding at the close of the year	<u>1,14,58,303</u>	<u>1,14,58,303</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 Annual General Meeting. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

Subject to the provisions of the Investment Agreement entered into between the Company, it's subsidiary Aria Hotels & Consultancy Services Private Limited( Aria) & the investors ( IL&FS Group), statutory and other approvals, if any, the Company and the Aria had to provide the IL&FS Group the exit option after March 31, 2013 by way of merger of the Company with Aria or swap of investors' securities with the equity shares of the Company or otherwise, not exceeding 14% of the paid up equity of the Company, on fully diluted basis.

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

### c. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at March 31, 2017		As at March 31, 2016	
	No of Shares	Amount % holding	No of Shares	Amount % holding
D.S.O. Limited	53,36,880	46.58%	53,36,880	46.58%
(Equity Shares of Rs. 10/- each fully paid up)				

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

## 4. Reserves & Surplus

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Capital reserve</b>		
Opening balance	1.41	1.41
Add: Transferred from statement of profit & loss	-	-
Closing balance	<u>1.41</u>	<u>1.41</u>
<b>Capital redemption reserve</b>		
Opening balance	990.00	990.00
Add: Transferred from statement of profit & loss	-	-
Closing balance	<u>990.00</u>	<u>990.00</u>
<b>Securities premium reserve</b>		
Opening balance	144.36	144.36
Add : Received during the year	-	-
Less: received during the year	-	-
Closing balance	<u>144.36</u>	<u>144.36</u>
<b>Debenture redemption reserve</b>		
Opening balance	-	-
Less: Transferred to statement of profit & loss	-	-
Closing balance	-	-
<b>General reserve</b>		
Opening balance	15,653.24	15,653.24
Add: Transferred from statement of profit & loss	-	-
Closing balance	<u>15,653.24</u>	<u>15,653.24</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### Surplus/ (deficit) in the statement of profit and loss

Opening balance	10,256.19	10,781.32
Add: Transfer from debenture redemption reserve	-	
Less: Depreciation on account of change in useful lives of assets as per Companies Act 2013	-	-
Less: Deferred tax related to depreciation charged	-	
Add/(less): Loss for the year	(404.64)	(387.22)
Amount available for appropriation	<u>9,851.55</u>	<u>10,394.10</u>
<b>Less: Appropriations</b>		
Transfer to general reserve	-	-
Proposed dividend on equity shares	-	114.58
Dividend distribution tax	-	23.33
Closing balance	<u>9,851.55</u>	<u>10,256.19</u>
<b>Total</b>	<u><b>26,640.56</b></u>	<u><b>27,045.20</b></u>

### 5. Long term borrowings

	As on March 31, 2017			As on March 31, 2016		
	Non Current Rs. lacs	Current Rs. lacs	Total Rs. lacs	Non-Current Rs. lacs	Current Rs. lacs	Total Rs. lacs
<b>Secured</b>						
<b>Term Loans from</b>						
Banks*	19,652.66	11.75	19,664.41	12,578.43	300.01	12,878.44
Non banking financial Institution**	468.54	53.75	522.29	2,592.75	898.46	3,491.21
Unsecured from (\$)						
Chairman & Managing Director	-	-	-	207.00	-	207.00
<b>Total</b>	<u>20,121.20</u>	<u>65.50</u>	<u>20,186.70</u>	<u>15,378.18</u>	<u>1,198.47</u>	<u>16,576.65</u>
Amount disclosed under the head "Other current liabilities" Refer Note No - 11 as :						
Current maturities of Long-term debts	-	(65.50)	(65.50)	-	(1,198.47)	(1,198.47)
<b>Total</b>	<u>-</u>	<u>(65.50)</u>	<u>(65.50)</u>	<u>-</u>	<u>(1,198.47)</u>	<u>(1,198.47)</u>
<b>Net amount</b>	<u><b>20,121.20</b></u>	<u><b>-</b></u>	<u><b>20,121.20</b></u>	<u><b>15,378.18</b></u>	<u><b>-</b></u>	<u><b>15,378.18</b></u>
Nature of Security and Terms of Repayment						

### \* Term Loans

Term loans obtained earlier from Kotak Mahindra Bank Limited were repaid during the year. In April 2016, the Company had entered into facility arrangement with Yes Bank Limited (YBL) for its entire banking and borrowing facilities. The Company was sanctioned borrowing facilities aggregating to Rs 21500 Lacs from the YBL (Term loan of Rs 20000 Lacs, overdraft facility of Rs 1000 Lacs and Non-fund LC/ BG facility of Rs 500 Lacs). Term loan shall be repayable in 44 structured quarterly installments after moratorium period of 36 months.

	Sanctioned		Outstanding	
	Amount as at March 31'2017 Rs. lacs	Amount as at March 31'2016 Rs. lacs	Amount as at March 31'2017 Rs. lacs	Amount as at March 31'2016 Rs. lacs
Yes Bank Loan	20,000.00	-	19,600.00	-
Kotak Mahindra Bank Loan	-	3,100.00	-	2,999.76
Kotak Mahindra Bank Loan A/c	-	1,800.00	-	1,724.98
Kotak Mahindra Bank Loan A/c	-	4,525.00	-	4,336.46
Kotak Mahindra Bank Loan A/c (Purchase of commercial space)	-	1,953.39	-	1,871.99
Kotak Mahindra Bank Loan A/c (Purchase of office space)	-	1,187.40	-	1,137.90
Kotak Mahindra Loan	-	824.55	-	807.35
Yes Bank-Vehicle Loan	68.23	-	64.61	-
	<u>20,068.23</u>	<u>13,390.34</u>	<u>19,664.61</u>	<u>12,878.44</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### \*\* Non Bank Financial Institution

	Sanctioned		Outstanding	
	Amount as at March 31'2017	Amount as at March 31'2016	Amount as at March 31'2017	Amount as at March 31'2016
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
PTC India Limited-Solar project-Term Loan	585.00	585.00	487.60	500.00
Kotak Mahindra Prime Ltd-Vehicle Loan	56.13	177.29	34.69	87.04
Kotak Mahindra Prime Limited-Term Loan	-	3,500.00	-	2,904.17
	<b>641.13</b>	<b>4,262.29</b>	<b>522.29</b>	<b>3,491.21</b>

#### PTC India Limited-Solar project (Term loan)

The above facility is secured by first charge of all the immovable property, present and future of the solar project. The above facility is repayable by 162 equal monthly instalments upto June, 2030.

#### Kotak Mahindra Prime Limited -Vehicle Loan

The above facility is secured by hypothecation of vehicles repayable upto March, 2019 in equal monthly installments .

#### Yes Bank-Vehicle Loan

The above facility is secured by hypothecation of vehicles repayable upto October, 2021 in equal monthly installments .

### \$ Unsecured Loan :

As per the sanction letter of term loan given by Kotak Mahindra Bank Limited, Mr. Sushil Kumar Gupta (Promoter) has infused subordinated interest free unsecured loan repayable after the term loans from the bank have been fully repaid.

### 6. Deferred tax liabilities (net)

	As at March 31, 2017 Rs. Lacs	Changes during the year	As at March 31, 2016 Rs. Lacs
<b>Deferred tax liabilities</b>			
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,617.84	215.57	2,833.41
	<b>2,617.84</b>	<b>215.57</b>	<b>2,833.41</b>
<b>Deferred tax assets</b>			
Impact of expenses for retirement benefits to be charged to the statement of profit and loss in the current year but allowed for tax in future years	178.28	(35.33)	142.95
Impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	-	-	-
	<b>178.28</b>	<b>(35.33)</b>	<b>142.95</b>
<b>Net deferred tax liability</b>	<b>2,439.56</b>	<b>250.90</b>	<b>2,690.46</b>

### 7. Other long term liabilities

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
Security deposits	253.12	254.42
<b>Total</b>	<b>253.12</b>	<b>254.42</b>

### 8. Provisions

	As at March 31, 2017		As at March 31, 2016	
	Long term Rs. Lacs	Short term Rs. Lacs	Long term Rs. Lacs	Short term Rs. Lacs
<b>Provision for employee benefits</b>				
Gratuity (refer note 34(iv) )	286.55	172.59	238.03	139.88
Leave encashment (refer note 34(iv) )	71.89	8.19	47.48	6.97
<b>Other provisions</b>				
Proposed dividend (including dividend distribution tax)	-	-	-	137.91
<b>Total</b>	<b>358.44</b>	<b>180.78</b>	<b>285.51</b>	<b>284.76</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### 12 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 (Cost)</b>							
As at April 1, 2015	9,287.31	14,869.64	2,714.30	9,428.26	742.69	37,042.21	7.37
Additions	31.93	11.85	12.95	64.82	–	121.55	913.42
Sales /Transfer during the year	–	(0.05)	(45.37)	(60.52)	(88.17)	(194.12)	(7.37)
Adjustment	–	(148.97)	–	148.97	–	–	–
As at April 1, 2016	9,319.24	14,732.47	2,681.88	9,581.53	654.52	36,969.65	913.43
<b>Additions</b>	365.57	612.01	44.13	645.50	59.93	1,727.13	–
Sales /Transfer during the year	–	–	(5.87)	(42.23)	(316.39)	(364.48)	(109.34)
Adjustment	–	–	–	–	–	–	–
<b>As at March 31, 2017</b>	<b>9,684.81</b>	<b>15,344.48</b>	<b>2,720.14</b>	<b>10,184.80</b>	<b>398.06</b>	<b>38,332.29</b>	<b>804.09</b>
<b>Depreciation</b>							
As at April 1, 2015	–	2,881.27	2,394.96	5,687.77	381.43	11,345.43	–
Charge for the year	–	387.53	57.80	935.75	84.83	1,465.90	–
Sales /Transfer during the year	–	(0.01)	(41.54)	(44.79)	(73.45)	(159.78)	–
Adjustment	–	(69.79)	–	69.79	–	–	–
As at April 1, 2016	–	3,199.00	2,411.22	6,648.52	392.81	12,651.55	–
Charge for the year	–	404.37	31.68	1,014.92	62.77	1,513.75	–
Sales /Transfer during the year	–	–	(5.61)	(29.55)	(239.85)	(275.02)	–
Adjustment	–	–	–	–	–	–	–
<b>As at March 31, 2017</b>	<b>–</b>	<b>3,603.37</b>	<b>2,437.29</b>	<b>7,633.89</b>	<b>215.74</b>	<b>13,890.27</b>	<b>–</b>
<b>Net Block</b>							
<b>As at March 31, 2017</b>	<b>9,684.81</b>	<b>11,741.11</b>	<b>282.85</b>	<b>2,550.92</b>	<b>182.32</b>	<b>24,442.01</b>	<b>804.09</b>
As at March 31, 2016	9,319.24	11,533.47	270.66	2,933.01	261.71	24,318.10	913.43

### 13. Non current investments

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount Rs. Lacs	Number	Amount Rs. Lacs
Investments (valued at cost unless stated otherwise)				
Shares in subsidiary company				
Equity shares -unquoted				
Aria Hotels & Consultancy Services Private Limited	6,34,71,538	12,501.00	5,96,10,000	11,497.00
Equity shares of Rs.10/- each				
	<b>6,34,71,538</b>	<b>12,501.00</b>	5,96,10,000	11,497.00
Preferences shares -unquoted				
Aria Hotels & Consultancy Services Private Limited				
Compulsorily convertible preference (CCPS) share of Rs. 10/- each	–	–	38,61,538	1,004.00
Optional convertible preference shares.	2,41,33,333	7,240.00	2,41,33,333	7,240.00
	<b>2,41,33,333</b>	<b>7,240.00</b>	2,79,94,871	8,244.00
<b>Total</b>	<b>8,76,04,871</b>	<b>19,741.00</b>	8,76,04,871	19,741.00
Cost of unquoted shares		<b>19,741.00</b>		19,741.00

Note :

During the financial year 2016-2017, 38,61,538/- CCPS held by the Company in Aria Hotels and Consultancy Services Private Limited (Subsidiary of the Company) has been converted by Aria into 38,61,538/- equity shares in the ratio of 1:1 as per the terms of Investment Agreement entered into between the Company, Aria and it's investors (IL&FS Group)



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### 14. Loans and advances (unsecured considered good)

	As at March 31, 2017		As at March 31, 2016	
	Long term	Short term	Long term	Short term
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Security deposits	3,222.27	–	3,217.21	–
Advances recoverable in cash or in kind	–	381.54	–	595.35
Interest free loan to subsidiary company	–	1,500.00	–	–
Capital advances	–	20.89	–	–
Prepaid expenses	1,028.57	230.67	–	136.40
Advance to suppliers/contractors	–	187.20	–	57.21
Advance to employees	–	1.27	–	3.50
Advance tax (net of provision of Rs 178.71 lacs (previous year Rs. 174.21 lacs))	273.20	–	490.75	–
Balances with statutory authorities	–	75.38	–	116.92
<b>Total</b>	<b>4,524.04</b>	<b>2,396.95</b>	<b>3,707.96</b>	<b>909.38</b>

### 15. Inventories

(Valued at lower of cost and net realizable value)

	As at	
	March 31, 2017	March 31, 2016
	Rs. Lacs	Rs. Lacs
Wines & liquor	130.09	113.56
Provisions, other beverages and smokes	20.48	23.81
Crockery, cutlery, silverware, linen etc.	127.49	122.54
General stores and spares	53.53	55.09
Shares in trade	4.84	3.19
<b>Total</b>	<b>336.43</b>	<b>318.19</b>

### 16. Trade receivables (Unsecured, considered good unless otherwise stated)

	As at	
	March 31, 2017	March 31, 2016
	Rs. Lacs	Rs. Lacs
Outstanding for a period exceeding six months from the due date		
Considered good	3.28	3.30
Outstanding for a period less than six months from the due date		
Considered good	700.36	469.99
<b>Total</b>	<b>703.64</b>	<b>473.29</b>

### 17. Cash and cash equivalents

	As at	
	March 31, 2017	March 31, 2016
	Rs. Lacs	Rs. Lacs
<b>Cash and bank balances</b>		
Balances with banks in current accounts	256.73	274.75
Cash on hand	6.66	6.58
Cheques in hand	45.75	27.75
<b>Total</b>	<b>309.14</b>	<b>309.08</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Other bank balances</b>		
Dividend accounts	79.38	24.14
<b>Total</b>	<b>79.38</b>	<b>24.14</b>
<b>18 Other current assets</b>	<b>388.52</b>	<b>333.22</b>
	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
Unbilled revenue	70.67	22.64
<b>Total</b>	<b>70.67</b>	<b>22.64</b>
<b>19 Revenue from operations</b>		
	Year ended March 31, 2017 Rs. Lacs	Year ended March 31, 2016 Rs. Lacs
<b>Sale of product and services</b>		
Rooms	8,705.90	8,374.72
Wines and liquor	583.95	569.66
Food, other beverages, smokes & banquets	3,587.38	3,470.81
Others	680.15	742.64
	-	0
<b>Total</b>	<b>13,557.38</b>	<b>13,157.83</b>
<b>20 Other income</b>		
	Year ended March 31, 2017 Rs. Lacs	Year ended March 31, 2016 Rs. Lacs
Interest income		
from bank on FDR's	1.00	0.16
on income tax refund	37.51	-
others	0.04	-
Dividend income	0.07	7.54
Rental income	357.05	380.90
Gain on foreign exchange fluctuation	9.26	-
Income from sale of SEIS certificate	126.17	-
Miscellaneous income	11.85	38.31
<b>Total</b>	<b>542.95</b>	<b>426.91</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### 21 Consumption of provisions, beverages, smokes and others

	Year ended March 31, 2017 Rs. Lacs	Year ended March 31, 2016 Rs. Lacs
<b>Wines &amp; liquor</b>		
Opening stock	113.56	118.75
Add : Purchases	210.65	210.89
	<u>324.21</u>	<u>329.64</u>
Less : Closing stock	130.09	113.56
	<u>194.12</u>	<u>216.08</u>
<b>Food, provisions, other beverages and smokes</b>		
Opening stock	23.81	21.31
Add : Purchases	1,046.95	1,055.71
	<u>1,070.76</u>	<u>1,077.02</u>
Less : Closing stock	20.48	23.81
	<u>1,050.28</u>	<u>1,053.21</u>
<b>Total</b>	<u>1,244.40</u>	<u>1,269.29</u>
Indigeneous	1,044.14	1,041.59
Imported	200.26	227.70

### 22 Employee benefit expenses

	Year ended March 31, 2017 Rs. Lacs	Year ended March 31, 2016 Rs. Lacs
<b>Salaries, wages, allowances &amp; commission</b>	2,482.06	2,459.77
Contribution to provident and other funds	164.08	160.84
Staff welfare expenses*	380.25	347.17
Contract labour & services	599.98	504.92
<b>Total</b>	<u>3,626.37</u>	<u>3,472.70</u>
*Includes:		
Cost of provisions consumed in staff cafeteria	188.62	183.22
Realisation on sale of food coupons to staff	-	-

### 23 Finance cost

	Year ended March 31, 2017 Rs. Lacs	Year ended March 31, 2016 Rs. Lacs
<b>Interest on</b>		
Term Loans	2,253.86	2,014.43
Vehicle loans	7.90	10.87
working capital facility	38.66	3.41
Other borrowing costs	489.59	277.25
<b>Total</b>	<u>2,790.01</u>	<u>2,305.96</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### 24 Other expenses

	Year ended March 31, 2017	Year ended March 31, 2016
	Rs. Lacs	Rs. Lacs
Consumption of linen, room, catering and other supplies/services	313.54	308.28
Operating equipments and supplies written off	92.04	87.61
Fuel, power and light (Net)	1,206.86	1,507.30
Repairs, maintenance and refurbishing*	990.98	957.66
Rent	8.84	13.38
Rates and taxes	449.33	406.38
Insurance	58.33	58.22
Directors' sitting fee	9.01	5.64
Legal and professional expenses	183.97	240.42
Music & television	14.85	14.85
Artist fee	0.67	0.64
Stationery and printing	12.46	24.58
Travelling and conveyance	357.28	376.16
Communication expenses	89.33	81.15
Technical services	579.72	535.17
Advertisement and publicity	335.75	262.49
Commission and brokerage	723.93	692.72
Foreign exchange loss/(gain)	-	23.92
Bank charges	5.00	2.61
Charity & donation	5.44	12.86
Gain/(loss) on trading of shares/derivatives	-	0.75
Loss on fixed assets sold/discarded (net)	3.38	10.75
Recruitment & training	38.94	36.43
Miscellaneous	60.94	76.38
<b>Total</b>	<b>5,540.59</b>	<b>5,736.35</b>
*		
Repairs & maintenance - buildings	376.50	312.48
Repairs & maintenance - plant & machinery	337.68	421.63
Repairs & maintenance - others	276.80	223.55

### 25 Earnings per share

Loss for the year	(404.64)	(387.22)
Weighted average of number of equity shares used in computing basic earnings per share	11,458,303	11,458,303
Basic earnings per share	(3.53)	(3.38)
Weighted average of number of equity shares including potential dilutive shares*	11,458,303	11,458,303
Diluted earnings per share	(3.53)	(3.38)

\* Subject to the exit provisions of the Investment Agreement, statutory and other approvals, if any, the Company and the subsidiary company – M/s Aria Hotels & Consultancy Services Private Limited( Aria) had to provide the investors ( IL&FS Group) the exit option after March 31, 2013. Aria had provided the exit option to investors (IL&FS Group) as per the terms & conditions of the Investment Agreement, however the matter has still not been concluded and is pending . In view of the same, impact of future dilutive potential equity shares has not been considered in calculating diluted earnings per share.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

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

Particulars	Amount as at March 31, 2017 (Rs. Lacs)	Amount as at March 31, 2016 (Rs. Lacs)
Duty saved against export obligation	-	87.10
Corporate guarantees on behalf of subsidiaries	1563.65	2296.92
Show cause Notice raised by service tax authorities and contested by the company.	515.51	515.51
Show cause Notice raised by service tax authorities and contested by the company. (refer note 27)	40.38	40.38
Property tax demand ( refer note 28 )	268.50	266.55
Maharashtra VAT Act, 2002		
Demand Notice raised for VAT Assessment FY 2010-11 and contested by the company.	244.70	244.70
Demand Notice raised for VAT Assessment FY 2011-12 and contested by the company.	87.13	87.13
Demand Notice raised for VAT Assessment FY 2012-13 and contested by the company.	55.40	-
Consumer dispute redressal forum Mumbai – Guest compliant for forfeiture of event deposit	19.00	19.00

27. Company had 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 for refund of remaining amount and hence been included under "Loans and Advances"(Note 14) as "Claims Recoverable". On February 9, 2016 Asst. Commissioner of Refund has rejected company refund claims on ground of unjust enrichment and does not prove that burden of tax paid was not passed to the customer directly or by way of increase in the cost of services . Company has filed Appeal with Commissioner of Appeal contesting department claims. The differential amount of Rs 40.38 lacs has been disclosed as contingent liability.

28. The Company had received property tax demand of Rs. 571.13 lacs (previous year 569.18 lacs) from Mumbai Municipal Corporate ("MMC") based on capital value system which is retrospectively from April 01, 2010, out of which, we have already booked and paid Rs. 302.63 lacs (previous year 302.63 lacs) in our books of accounts pertaining from Financial Year 2010-11 to 2014-15. 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 company has made provision as per Interim High Court Order for the demand raised by MMC in the financial statements.

### 29. Capital and other commitments :

Particulars	2016-17 (Rs. Lacs)	2015-16 (Rs. Lacs)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2.51	67.98
Other Commitments	54.19	60.47
Amount payable to Yes Bank Limited as a facility arrangement fee (refer note 37).	-	1,200

30. Pursuant to the Scheme of Arrangement & Demerger, Hyatt Regency, Mumbai was transferred to and vested in the Company. The Company had applied to the concerned authority for adjudication of stamp duty applicable on conveyance of the property title in favour of the Company, which was adjudicated to Rs 1157 lacs vide order dated 31st May'2016 passed by Collector of Stamps, Mumbai City and subsequently the Company has made the said payment on 20th July'2016. The property title has been transferred in favour of the company.

31. 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.

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

S. No.	Particulars	As at March 31, 2017 (Rs. Lacs)	As at March 31, 2016 (Rs. Lacs)
a.	Not later than one year	19.39	18.38
b.	Later than one year and not later than five years	88.83	84.20
c.	Later than five years	360.37	384.39

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### 33. Auditors remuneration(exclusive of service tax):

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
		Rs. Lacs	Rs. Lacs
a.	Statutory audit fee	11.00	11.00
b.	Tax audit fee	2.00	2.00
c.	Limited review fee	3.00	3.00
	<b>Total</b>	<b>16.00</b>	<b>16.00</b>

### 34. 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, 2017

#### i. Change in benefit obligations:

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
Present value of obligations as at the beginning of the year	377.91	331.91	54.45	61.56
Current service cost	50.22	42.02	24.58	17.88
Interest cost	30.23	26.55	4.36	4.92
Benefit Paid	(25.14)	(31.15)	(14.98)	(44.90)
Actuarial (gain)/ loss on obligation	25.91	8.58	11.67	14.98
Present value of obligations as at the year end	459.14	377.91	80.08	54.45

#### ii. Expenses recognized in the statement of profit and loss :

Current service cost	50.22	42.02	24.58	17.88
Interest cost	30.23	26.55	4.36	4.92
Actuarial (gain)/loss recognized during the year	25.91	8.58	11.67	14.98
Net charge/(credit)	106.37	77.15	40.61	37.79

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### iii. Amount recognized in balance Sheet :

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
	Rs. lacs	Rs. lacs	Rs. Lacs	Rs. lacs
Present value of obligations as at the end of the year	459.14	377.91	80.08	54.45
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	(459.14)	(377.91)	(80.08)	(54.45)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gain)/ losses	-	-	-	-
Net assets/ (liability) recognized in the balance sheet	(459.14)	(377.91)	(80.08)	(54.45)

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

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. Lacs
Current liability	172.59	139.88	8.19	6.97
Non-Current liability	286.55	238.03	71.89	47.48
Total PBO at the end of year	459.14	377.91	80.08	54.45

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

Particulars	Gratuity (Unfunded)				
	16-17	15-16	14-15	13-14	12-13
	Rs. Lacs	Rs. Lacs	Rs. lacs	Rs. lacs	Rs. lacs
Present value of obligation as at the end of period	459.14	377.91	331.91	285.49	267.31
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus / (Deficit)	(459.14)	(377.91)	(331.91)	(285.49)	(267.31)
Experience adjustment on plan Liabilities (loss) / gain	(2.98)	(8.58)	6.39	1.92	(1.09)
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-

Particulars	Compensated absences Earned leave (Unfunded)				
	16-17	15-16	14-15	13-14	12-13
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
Present value of obligation as at the end of period	80.08	54.45	61.56	56.88	69.87
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus / (Deficit)	(80.08)	(54.45)	(61.56)	(56.88)	(69.87)
Experience adjustment on plan Liabilities (loss) / gain	(4.48)	(14.98)	3.19	16.45	(5.47)
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

### vi. Principal Actuarial Assumptions:

Particulars	Refer Note below	Year ended	Year ended
		31-Mar-17	31-Mar-16
Discount rate (p.a.)	1	7.35%	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.

35. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18) & Companies Act 2013, 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

##### (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)
- Mr. Rakesh Kumar Aggarwal (Chief Financial Officer)
- Mr. Vivek Jain (Company Secretary wef. 14-11-2015)
- Mr. Nikhil Sethi ( Company Secretary) (till 12-09-2015)

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

- Ms. Sukriti Gupta (Daughter of Executive Whole-Time Director)
- Mr. Sidharth Aggarwal (Son of Chief Financial Officer)

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

- Eden Park Hotels Private Limited
- Bhasin & Co.
- Mettel Estates Private Limited
- Godfrey Philips India Limited

Balances outstanding/transactions with related parties

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
<b>A. Transactions during the year</b>					
<b>(i) Purchases/Services availed during the year</b>					
Bhasin & Co	-	-	-	1.80	1.80
	(-)	(-)	(-)	(1.79)	(1.79)
Aria Hotels and Consultancy Services Private Limited *	62.24	-	-	-	62.24
	(66.35)	-	-	-	(66.35)
Sidharth Aggarwal	-	-	4.73	-	4.73
	(-)	(-)	(4.95)	(-)	(4.95)
Sukriti Gupta	-	-	6.00	-	6.00
	(-)	(-)	(6.00)	(-)	(6.00)
Mettel Estates Private Limited (Includes Finance Cost)	-	-	-	122.58	122.58
	(-)	(-)	(-)	(-)	(-)



# ASIAN HOTELS (WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
<b>(ii) Sales/Services provided during the year</b>					
Aria Hotels and Consultancy Services Private Limited	15.00 (47.76)	- (-)	- (-)	- (-)	15.00 (47.76)
Godfey Philips India Limited	- (-)	- (-)	- (-)	- (11.87)	- (11.87)
<b>(iii) Expenses Paid</b>					
Aria Hotels and Consultancy Services Private Limited	- (2.00)	- (-)	- (-)	- (-)	- (2.00)
<b>(iv) Loan Given</b>					
Aria Hotels and consultancy services Pvt ltd	1,540.00 (100.00)	- (-)	- (-)	- (-)	1,540.00 (100.00)
<b>(v) Loan repaid during the year</b>					
Mettel Estates Private Limited	- (-)	- (-)	- (-)	10000.00 (-)	10000.00 (-)
Mr Sushil Kumar Gupta	- (-)	207.00 (-)	- (-)	- (-)	207.00 (-)
<b>(vi) Loan received back</b>					
Aria Hotels and Consultancy Services Pvt ltd	40.00 (100.00)	-	-	-	40.00 (100.00)
Mr. Nikhil Sethi	- (-)	- (4.40)	- (-)	- (-)	- (4.40)
<b>(vii) Loan received</b>					
Mettel Estates Private Limited	- (-)	- (-)	- (-)	10000.00 (-)	10000.00 (-)
<b>(viii) Managerial remuneration/salary</b>					
Mr. Sushil Kumar Gupta#	- (-)	138.54 (128.77)	- (-)	- (-)	138.54 (128.77)
Mr. Sudhir Chamanlal Gupta#	- (-)	119.09 (110.11)	- (-)	- (-)	119.09 (110.11)
Mr. Sandeep Gupta#	- (-)	118.70 (109.71)	- (-)	- (-)	118.70 (109.71)
Mr. Rakesh Kumar Aggarwal	- (-)	55.35 (43.54)	- (-)	- (-)	55.35 (43.54)
Mr. Vivek Jain	- (-)	30.47 (12.11)	- (-)	- (-)	30.47 (12.11)
Mr. Nikhil Sethi	- (-)	- (24.34)	- (-)	- (-)	- (24.34)
<b>(ix) Security deposit refunded</b>					
Aria Hotels and Consultancy Services Private Limited	- (33.29)	- (-)	-	-	- (33.29)
<b>B. Balances outstanding at the year end</b>					
<b>(i) Accounts Payable</b>					
Sushil Kumar Gupta	- (-)	- (207)	- (-)	- (-)	- (207)
<b>(ii) Advance receivable/security deposit/loans recoverable</b>					
Aria Hotels and Consultancy Services Private Limited against Security Deposit paid for office space/ commercial space on Lease	3,193.61 (3193.61)	- (-)	- (-)	- (-)	3,193.61 (3193.61)
Aria Hotels and Consultancy Services Private Limited (loan recoverable)	1500.00 (-)	- (-)	- (-)	- (-)	1500.00 (-)

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
<b>(iii) Investment in Equity/Preference</b>					
Aria Hotels and Consultancy Services Private Limited – Preference Shares/ Equity \$	19741.00 (19741.00)	- (-)	- (-)	- (-)	19741.00 (19741.00)

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

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

\$ Refer Note No 13

Note: Previous Year Figure has been shown in bracket

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

Particulars	2016–17	2015–16
	Rs. lacs	Rs. lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
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>	-	-

37. In April 2016, the company has taken a short term unsecured loan from related party, Mettel Estates Private Ltd of Rs 10000.00 Lacs, which has been utilized for repaying Kotak Bank Term loan.

In April 2016, the Company has entered into facility arrangement with Yes Bank Limited (YBL) for its entire banking and borrowing facilities. The Company was sanctioned borrowing facilities aggregating to Rs 21500.00 Lacs from the YBL (Term Loan of Rs 20000.00 Lacs, Overdraft Facility of Rs 1000.00 Lacs and Non-fund LC/ BG facility of Rs 500.00 Lacs). Term Loan shall be repayable in 44 structured quarterly installments after 36 months of moratorium period.

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

Name of the Company	No. of Shares		Cost/Market Value whichever is lower	
	As at March 31, 2017	As at March31, 2016	As at March 31, 2017	As at March31, 2016
ICICI Bank Limited	350	350	0.97	0.83
Reliance Capital Limited	500	500	3.08	1.84
State Bank of India	270	270	0.79	0.52
<b>Total</b>			<b>4.84</b>	<b>3.19</b>

39. Foreign currency exposures

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

Particulars	Date	Foreign Currency (FC)	Amount in FC	Rs. Lacs
Accounts payable	March 31, 2017	USD	2,35,456	152.58
	March 31, 2016	USD	(3,28,530)	(223.40)

There is no hedged foreign currency exposure as at March 31, 2017 (previous year Nil).

Figures in brackets relate to the previous year.

# ASIAN HOTELS (WEST) LIMITED

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

S. No.	Particulars	As at March 31, 2017	As at March 31, 2016
		Rs lacs	Rs lacs
a.	Food & beverages - through canalizing agencies	59.86	63.54
b.	Stores & spares	34.98	29.10
c.	Capital goods	57.94	5.08
d.	Beverages- through canalizing agencies	151.88	176.73

## (b) Expenditure in foreign currency -on payment basis

S.No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
		Rs lacs	Rs lacs
a.	Technical services	425.10	371.26
b.	Advertisement & publicity	294.28	31.37
c.	Commission & brokerage	389.13	301.92
d.	Training & recruitment	23.08	24.12
e.	Others	338.03	655.94

## (c) Earnings in foreign exchange

S.No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
		Rs lacs	Rs lacs
a.	On receipt basis	6,658.02	6,962.21

## 41. Loan and advances in the nature of Loans (including interest) given to subsidiaries and Joint ventures – Disclosure as per regulation 34(3) of listing obligation :

S. No	Particulars	As at March 31 2017	Maximum balance during the year
		Rs lacs	Rs lacs
1	Aria Hotels and Consultancy Services Private Limited	1,500 (Nil)	1,500 (Nil)

Figures in brackets relate to the previous year.

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

### a. Particulars of Loans given:

Name of the Party	Amount (Rs Lacs)	Nature of loan	Purpose
Aria Hotels and Consultancy Services Private Limited	1,500.00 (Nil)	Unsecured	For Business Purpose

### b. Particulars of Guarantee given:

Name of the Party	Amount (Rs Lacs)	Nature of guarantee	Purpose
Aria Hotels and Consultancy Services Private Limited	1,563.65 (2296.92)	Corporate guarantee	For Business Purpose

Figures in brackets relate to the previous year.

# ASIAN HOTELS (WEST) LIMITED

**c. Particulars of Investment made:**

S. No.	Name of Investee	Opening Balance	Investment made	Investment redeemed	Outstanding Balance	Purpose
		Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Investment in equity shares						
1	Aria Hotels and Consultancy Services Private Limited	11,497.00 (11,497.00)	1,004.00 (-)	- (-)	12,501.00 (11,497.00)	Long term Investment
Investment in Preference share						
2	Aria Hotels and Consultancy Services Private Limited	8,244.00 (8,244.00)	- (-)	1,004.00 (-)	7,240.00 (8,244.00)	Long term Investment

**d. Particulars of Security Deposit: Nil**

43. There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard 29 on "Provisions, Contingent Liabilities & Contingent Asset".
44. During the year, the provisions of section 135(5) of Companies Act, 2013 doesn't apply on the Company. However, during the year the Company has spent Rs. 5 Lacs on CSR activities out of the un-spent amount of previous year's (amounting to Rs. 10.70 Lacs) as per the CSR policy of the Company.
45. The Company has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.
46. In the opinion of Board, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they stated and provision for all known liabilities has been made and considered adequate.
47. The details of Specified Bank Notes(SBN) held and transacted during the period from 8th November'2016 to 30th December'2016, are as provided in the table below:

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	862,500	27,547	890,047
(+) Permitted receipts	-	30,89,268	30,89,268
(-) Permitted Payments	-	517,022	517,022
(-) Amount deposited in Banks	862,500	18,30,910	26,93,410
Closing cash in hand as on 30.12.2016	-	7,68,883	7,68,883

48. 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

FRN : 000756N

**SUNIL WAHAL**

Partner

Membership No. : 087294

Place : New Delhi

Dated : May 26, 2017

**For and on behalf of the Board of Directors of**

**ASIAN HOTELS (WEST) LIMITED**

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No. : AAAPA3338D

**SANDEEP GUPTA**

Executive  
(Whole Time) Director

DIN 00057942

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

# ASIAN HOTELS (WEST) LIMITED

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## Independent Auditors' Report

### To The Members of Asian Hotels (West) Limited

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Asian Hotels (West) Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated balance sheet as at 31st March, 2017, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Amendment Rules, 2016.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

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

#### Emphasis of Matter

We draw Attention to the note no. 28 of the consolidated financial statement relating to Emphasis of matter mentioned in the Auditors' report of the Subsidiary Company Aria Hotels & Consultancy Services Private Limited ( the Aria) which describe the uncertainty related to the outcome of the matter pending before the Hon'ble Arbitral Tribunal in relation to the exit option of the investors from the Aria and conversion of Compulsorily Convertible Preference Shares held by the investors and the Company. Our Opinion is not qualified in respect of these matters.

#### Other Matters

We did not audit the financial statements/financial information of one subsidiary whose financial statements reflect total assets of Rs. 83,778.19 lacs as at 31st March, 2017, total revenues of Rs. 23,085.69 lacs and net cash outflows amounting to Rs. 257.90 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

# ASIAN HOTELS (WEST) LIMITED

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## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Amendment Rules, 2016.;
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditor of its subsidiary incorporated in India, none of the directors of the Group incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 25 to the consolidated financial statements.
    - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
    - iv. The Group has provided requisite disclosures in note 45 to these consolidated financial statements as to the holding of Specified Bank Notes on 8 November, 2016 and 30 December, 2016 as well as dealing in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the reports of the other auditors submitted to us by the management regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of account maintained by the Group and as produced to us by the management.

For **S.S.KOTHARI MEHTA & Co.**

Chartered Accountants

Firm's Registration No. 000756N

**SUNIL WAHAL**

Partner

Membership No. 087294

Place: New Delhi

Date: May 26, 2017

## **Annexure A to the Independent Auditor's Report to the Members of Asian Hotels (West) Limited dated May 26, 2017 on its consolidated financial statements**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

In conjunction with our audit of the consolidated financial statements of Asian Hotels (West) Limited as of and for the year ended March 31, 2017, we have audited the Internal Financial Controls Over Financial Reporting of Asian Hotels (West) Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively

# ASIAN HOTELS (WEST) LIMITED

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for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Holding Company, its subsidiary company which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary, which is companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **S.S.KOTHARI MEHTA & Co.**

Chartered Accountants

Firm's Registration No. 000756N

**SUNIL WAHAL**

Partner

Membership No. 087294

Place: New Delhi

Date: May 26, 2017

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

	Notes	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,145.83	1,145.83
Reserves and surplus	4	13,555.28	16,311.89
<b>Total shareholders' fund</b>		<b>14,701.11</b>	<b>17,457.72</b>
<b>Minority interest</b>		<b>1,326.12</b>	<b>1,903.92</b>
<b>Non - current liabilities</b>			
Long-term borrowings	5	76,801.23	72,762.57
Deferred tax liabilities (Net)	6	2,439.56	2,690.46
Other long term liabilities	7	10,788.64	10,720.33
Long - term provisions	8	472.77	362.11
<b>Total non - current liabilities</b>		<b>90,502.20</b>	<b>86,535.47</b>
<b>Current liabilities</b>			
Short term borrowings	9	403.90	734.74
Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		2.67	1.78
Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,086.12	2,292.57
Other current liabilities	11	3,545.97	5,175.56
Short - term provisions	8	182.80	286.32
<b>Total current liabilities</b>		<b>6,221.46</b>	<b>8,490.97</b>
<b>Total</b>		<b>112,750.89</b>	<b>114,388.08</b>
<b>Assets</b>			
<b>Non - current assets</b>			
Fixed assets	12		
Tangible assets		90,948.78	94,223.62
		175.15	224.51
Capital work-in-progress		872.18	954.82
Long Term loans and advances	13	14,642.59	13,753.31
Other non current assets	17	0.90	0.90
<b>Total non - current assets</b>		<b>106,639.60</b>	<b>109,157.16</b>
<b>Current assets</b>			
Inventories	14	834.20	803.78
Trade receivables	15	1,929.84	1,329.15
Cash and cash equivalents	16	1,781.18	1,467.99
Short - term loans and advances	13	1,491.26	1,597.18
Other current assets	17	74.81	32.82
<b>Total current assets</b>		<b>6,111.29</b>	<b>5,230.92</b>
<b>Total</b>		<b>112,750.89</b>	<b>114,388.08</b>

**Significant accounting policies**

Accompanying notes form an integral part of financial statements

As per our report of even date

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

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

Chartered Accountants

FRN : 000756N

**SUNIL WAHAL**

Partner

Membership No. : 087294

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole Time) Director

DIN 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 26, 2017



# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	Note	For the year ended March 31, 2017 Rs. Lacs	For the year ended March 31, 2016 Rs. Lacs
<b>Income</b>			
Revenue from operations	18	36,418.31	31,924.70
Less : Excise duty		7.09	7.52
		<u>36,411.22</u>	<u>31,917.18</u>
Other income	19	750.75	449.68
<b>Total revenue</b>		<u><b>37,161.97</b></u>	<u><b>32,366.86</b></u>
<b>Expenses</b>			
Consumption of provisions, beverages, smokes and others	20	4,003.07	3,703.49
Employee benefit expenses	21	7,032.89	6,565.37
Finance cost	22	9,984.83	9,568.56
Depreciation and amortization expense	12	5,291.73	5,238.28
Other expenses	23	14,401.11	13,687.71
<b>Total expenses</b>		<u><b>40,713.63</b></u>	<u><b>38,763.41</b></u>
<b>(Loss) before tax</b>		<u><b>(3,551.66)</b></u>	<u><b>(6,396.55)</b></u>
<b>Tax expense</b>			
Current tax		34.32	-
Earlier year tax		(0.66)	(31.28)
Deferred tax charge/(credit)		(250.90)	(254.48)
<b>(Loss) for the year after tax</b>		<u><b>(3,334.41)</b></u>	<u><b>(6,110.78)</b></u>
Minority share of (Loss)		(511.79)	(1,054.28)
Less : Adjustment on consolidation		(6.94)	-
<b>(Loss) for the year after tax</b>		<u><b>(2,815.68)</b></u>	<u><b>(5,056.50)</b></u>
<b>Earning per equity share (Nominal value per share Rs. 2/-)</b>	24		
Basic		(24.57)	(44.13)
Diluted		(24.57)	(44.13)

### Significant accounting policies

1 - 46

Accompanying notes form an integral part of the financial statements.

### As per our report of even date

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

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

Chartered Accountants

FRN : 000756N

**SUNIL WAHAL**

Partner

Membership No. : 087294

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole Time) Director

DIN 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 26, 2017

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
<b>A. Cash flow from operating activity</b>		
<b>Net profit before tax</b>	(3,551.66)	(6,396.55)
Adjustment for:		
Depreciation	5,291.73	5,238.28
(Profit)/Loss on sale of fixed assets	5.65	21.29
Dividend Income on Investment	(0.07)	(7.47)
Interest expenses	9,984.83	9,568.56
Interest income	(55.62)	(42.50)
<b>Operating profit before working capital charges</b>	<u>11,674.86</u>	<u>8,381.61</u>
Adjustments for:		
(Increase)/Decrease in Inventories	(30.43)	(15.49)
(Increase)/Decrease in trade receivables	(648.71)	194.54
(Increase)/Decrease in loans and advances	450.73	(948.96)
Increase/(Decrease) in trade payables	(205.55)	132.58
Increase/(Decrease) in other liabilities, provisions	(501.30)	169.19
	<u>(935.28)</u>	<u>(468.13)</u>
<b>Cash generated from operations</b>	<u>10,739.58</u>	<u>7,913.48</u>
Direct taxes paid (Net)	(153.49)	(191.21)
<b>Net cash from Operating Activities (A)</b>	<u>10,586.09</u>	<u>7,722.27</u>
<b>Cash flow from investing activity</b>		
Purchase of Fixed Assets	(1,979.48)	(1,292.18)
Sale of fixed assets	88.90	46.98
Dividend Income on Investment	0.07	7.49
<b>Net Cash from Investing Activities (B)</b>	<u>(1,890.51)</u>	<u>(1,237.70)</u>
<b>Cash flow from financing activity</b>		
Repayment of Borrowings	(17,256.86)	(966.79)
Proceeds of Borrowings	19,890.03	3,381.69
Interest Paid	(11,077.22)	(9,541.62)
Interest Earned	61.65	40.09
<b>Net Cash from Financing activities [C]</b>	<u>(8,382.40)</u>	<u>(7,086.63)</u>
<b>Net Increase/ (Decrease) in Cash Equivalent [A+B+C]</b>	<u>313.18</u>	<u>(602.07)</u>
Cash and Cash equivalent (Beginning of the year)	<u>1,467.99</u>	<u>2,070.06</u>
<b>Cash and cash equivalent (end of the year)</b>	<u>1,781.18</u>	<u>1,467.99</u>
	<b>As at</b>	<b>As at</b>
<b>Components of cash and cash equivalents</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Balances with banks in current accounts	1,090.47	1,057.90
Cash on hand	15.58	15.38
Cheques in hand	45.75	27.75
Dividend accounts	79.38	24.14
Deposit Account	550.00	342.82
Non Current Bank Balances		
	<u>1,781.18</u>	<u>1,467.99</u>

**Notes:**

Figures in bracket represent cash outflow.

Previous Year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date

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

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

Chartered Accountants

FRN : 000756N

**SUNIL WAHAL**

Partner

Membership No. : 087294

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole Time) Director

DIN 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 26, 2017

# ASIAN HOTELS (WEST) LIMITED

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## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### 1. Corporate Information

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

The Company has one subsidiary "Aria Hotels and Consultancy Services Private Limited ("Aria"). The Company and Aria collectively called "the Group". Aria has entered into Development Agreement, dated July 4, 2009, with Delhi International Airport Private Limited for acquiring Development Rights by way of a license over the specified area at the Airport site for developing, designing, financing, constructing, owning, operating and maintaining an upscale and Luxury hotel property till May 02, 2036 extendable up to May 02, 2066 ( in case DIAL's term under Operation, Maintenance and Development Agreement (OMDA) is extended for additional period of 30 years).

The Company is listed on the National Stock Exchange of India and Bombay Stock Exchange of India. These financial statements are presented in Indian Rupees (Rs).

### 2. Significant accounting policies:

#### a. Basis of accounting

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016. 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.
- v. License fee from sub license rights are recognized on accrual basis over the period of space/sub licensing agreement.

#### 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.

# ASIAN HOTELS (WEST) LIMITED

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## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

- 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.

### 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.

Subsidiary company considered Main Building (RCC) life 52 years based on development agreement entered with Delhi International Airport Private Limited.

#### ii. Change in accounting policy

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from 1 April 2015. The Company was previously not identifying components of fixed asset separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of tangible fixed assets.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its tangible fixed assets. Now, the Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on 1 April 2015, is depreciated over their remaining useful lives.

#### iii. Depreciation

##### Tangible Assets:

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. The management has estimated the useful lives and residual value based on technical evidence listed below:

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Type of Asset	Useful lives estimated by the management (Holding Company)	Useful lives estimated by the management (Aria)
Main Building (RCC frame structure)	60 years	52 years*
Main Building (Non RCC frame structure)	30 years	30 years
Components in Building (Roads)	10 years	10 years
Plant and Machinery	15 years	15 years
Electrical Installations and Equipment	15 years	15 years
Vehicles used in a business of running them on hire	6 years	-
Vehicles other than those used in a business of running them on hire	8 years	8 years
Office equipments	5 years	10 years
Computers and data processing units:		
(a) Servers and networks	6 years	6 years
(b) End user devices such as desktops, laptops, etc.	3 years	3 years
Furniture and fittings	8 years	8 years

\*Based on development agreement entered with DIAL.

Assets purchased on or before the 15th of the month, it is depreciated from the month of purchase, otherwise from month following the month of purchase. Depreciation as per straight line method is charged in the accounts.

## Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets consist of Computer Software which has been amortized over its estimated useful life at 16.21% per annum on pro rata basis from the month of purchase. If the software is purchased on or before the 15th of the month, it is amortized from the month of purchase, otherwise from month following the month of purchase.

Intangible Asset	Useful lives estimated by the management (Aria)
Softwares	6

The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed six years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds six years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets are tested for impairment annually, either individually or at the cash-generating unit level

## I. Investments

Investments that are readily realizable 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. Shares held as Stock-in-trade are valued at cost or market value whichever is lower.
- iii. 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/License

### When the Company is the lessee/licensee

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

### When the Company is the lessor/licensor

Assets subject to operating leases/license are included in fixed assets. Lease/License income is recognized in the Statement of

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Profit and Loss on a straight-line basis over the lease/licensed 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 after approval of the shareholders in the Annual General Meeting of the Company.

### 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) (82.49% Stake), Incorporated in India.

## 3 Share capital

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount Rs. Lacs	Number	Amount Rs. Lacs
<b>Authorised</b>				
Equity shares of Rs. 10/- each	14,000,000	1,400	14,000,000	1,400
Preference shares of Rs. 10/- each	11,000,000	1,100	11,000,000	1,100
	<b>25,000,000</b>	<b>2,500</b>	<b>25,000,000</b>	<b>2,500</b>
<b>Issued, subscribed &amp; paid up</b>				
Equity shares of Rs. 10/- each*	11,458,303	1,145.83	11,458,303	1,145.83
<b>Total</b>	<b>11,458,303</b>	<b>1,145.83</b>	<b>11,458,303.00</b>	<b>1,145.83</b>

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

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### a. Reconciliation of the number of shares outstanding -

	As at March 31, 2017 Number	As at March 31, 2016 Number
Equity shares outstanding at the beginning of the year	11,458,303	11,458,303
Add: issued during the year	-	-
Equity shares outstanding at the close of the year	<u>11,458,303</u>	<u>11,458,303</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 Annual General Meeting. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

Subject to the provisions of the Investment Agreement entered into between the Company, it's subsidiary Aria Hotels & Consultancy Services Private Limited( Aria) & the investors ( IL&FS Group), statutory and other approvals, if any, the Company and the Aria had to provide the IL&FS Group the exit option after March 31, 2013 by way of merger of the Company with Aria or swap of investors' securities with the equity shares of the Company or otherwise, not exceeding 14% of the paid up equity of the Company, on fully diluted basis. "

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

### c. Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2017		As at March 31, 2016	
	No of Shares	Amount % holding	No of Shares	Amount % holding
Name of shareholder				
D.S.O. Limited (Equity Shares of Rs. 10/- each fully paid up)	5,336,880	46.58%	5,336,880	46.58%

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

## 4. Reserves & Surplus

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Capital reserve</b>		
Opening balance	2,974.61	2,974.61
Add: During the year	59.07	-
Closing balance	<u>3,033.68</u>	<u>2,974.61</u>
<b>Capital redemption reserve</b>		
Opening balance	990.00	990.00
Add: Transferred from statement of profit & loss	-	-
Closing balance	<u>990.00</u>	<u>990.00</u>
<b>Securities premium reserve</b>		
Opening balance	144.36	144.36
Add : received during the year	-	-
Closing balance	<u>144.36</u>	<u>144.36</u>
<b>General reserve</b>		
Opening balance	15,653.24	15,653.24
Add: Transferred from statement of profit & loss	-	-
Closing balance	<u>15,653.24</u>	<u>15,653.24</u>
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Opening balance	(3,450.32)	1,744.09
Add: loss for the year	<u>(2,815.68)</u>	<u>(5,056.50)</u>
Amount available for appropriation	<u>(6,266.00)</u>	<u>(3,312.41)</u>

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Less: Appropriations</b>		
Transfer to general reserve	-	-
Proposed dividend on equity shares	-	114.58
Dividend distribution tax	-	23.33
Closing balance	<u>(6,266.00)</u>	<u>(3,450.32)</u>
<b>Total</b>	<b><u>13,555.28</u></b>	<b><u>16,311.89</u></b>

## 5. Long term borrowings

	As at March 31, 2017			As at March 31, 2016		
	Non Current Rs. lacs	Current Rs. lacs	Total Rs. lacs	Non-Current Rs. lacs	Current Rs. lacs	Total Rs. lacs
<b>Secured</b>						
Term Loans from						
Banks*	72,153.57	749.07	72,902.64	68,684.32	979.01	69,663.33
Non banking financial Institution**	3,591.34	53.75	3,645.09	2,592.75	898.46	3,491.21
<b>Lease Rental Discounting Loan***</b>	<b>1,056.32</b>	<b>222.00</b>	<b>1,278.32</b>	1,278.50	222.00	1,500.50
<b>Unsecured from(\$)</b>						
Chairman & Managing Director	-	-	1,278.32	207.00	-	207.00
<b>Total</b>	<b>76,801.23</b>	<b>1,024.82</b>	<b>77,826.05</b>	72,762.57	2,099.47	74,862.04
Amount disclosed under the head "Other Current Liabilities" Refer Note No - 11 as :		(1,024.82)	(1,024.82)	-	(2,099.47)	(2,099.47)
Current maturities of Long-term debts						
<b>Total</b>	<b>-</b>	<b>(1,024.82)</b>	<b>(1,024.82)</b>	-	(2,099.47)	(2,099.47)
<b>Net Amount</b>	<b>76,801.23</b>	<b>-</b>	<b>76,801.23</b>	72,762.57	-	72,762.57

### Nature of Security and Terms of Repayment

#### \* Term Loans (Holding Company)

Term loans obtained earlier from Kotak Mahindra Bank Limited were repaid during the year. In April 2016, the Company had entered into facility arrangement with Yes Bank Limited (YBL) for its entire banking and borrowing facilities. The Company was sanctioned borrowing facilities aggregating to Rs 21500 Lacs from the YBL (Term loan of Rs 20000 Lacs, overdraft facility of Rs 1000 Lacs and Non-fund LC/ BG facility of Rs 500 Lacs). Term loan shall be repayable in 44 structured quarterly installments after moratorium period of 36 months.

	Sanctioned		Sanctioned	
	Amount as at March 31, 2017 Rs. lacs	Amount as at March 31, 2016 Rs. lacs	Amount as at March 31, 2017 Rs. lacs	Amount as at March 31, 2016 Rs. lacs
Yes Bank Loan	20,000.00	-	19,600.00	-
Kotak Mahindra Bank Loan	-	3,100.00	-	2,999.76
Kotak Mahindra Bank Loan A/c	-	1,800.00	-	1,724.98
Kotak Mahindra Bank Loan A/c	-	4,525.00	-	4,336.46
Kotak Mahindra Bank Loan A/c (Purchase of commercial space)	-	1,953.39	-	1,871.99
Kotak Mahindra Bank Loan A/c(Purchase of office space)	-	1,187.40	-	1,137.90
Kotak Mahindra Loan	-	824.55	-	807.35
Yes Bank-Vehicle Loan	68.23	-	64.61	-
	<b>20068.23</b>	<b>13,390.34</b>	<b>19,664.61</b>	<b>12,878.44</b>

#### Term Loans (Subsidiary Company)

\*- Term loans obtained from Consortium of banks -Union Bank of India as lead bank ( Previously restructured on June 16, 2014 with retrospective effect from 1st January 2014 (i.e. Cut off Date) 'wherein principal repayment of loan was deferred till March 2016 and interest on these loans were deferred till June 30, 2015 (i.e funded interest term loan -FITL)). Further these loans are being 'refinanced under Flexible Structuring with cut off date as 01st October, 2016 and loan outstanding Rs. 55668.02 Lacs



# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

with fixation of fresh Amortisation schedule which is in compliance with RBI 'circular No DBR.No.BP.BC. 53/21.04.132/2014-15 dated 15th December 2014 and No. DBR. No . BP.BC. 34/21.04.132/2016-17 dated 10th November 2016 with Date of Change of Loan 'Amortisation Schedule (DCLA) ie 01st October 2016' and applicable ROI of the initial Debt Facility as on cut off date to be migrated from Base rate to MCLR and spread to be adjusted to 'maintain the ROI ie from Union Bank base rate (9.60%) +2.25% to Union Bank one year MCLR rate (9.40% ) + 2.45% ie 11.85% p.a as on DCLA (ie Cut off date 01st October 2016). 'Documentation and implementation, yet to happen.

- The term loans of Rs 55668.02 Lacs are repayable in 77 structured unequal quarterly installments , as per the repayment schedule , the first installment was payable from 31st December 2016
- New Term Loan amounting to Rs 1000 lacs to meet working capital needs was sanctioned from Union bank of India (Lead Bank) for tenure of 5 year (Including 1 year Moratorium from First 'disbursement ie on 12th May 2017) with Union bank one year MCLR + 2.45% ie presently 10.95%, repayable in 16 structured quarterly installment post moratorium period of one year from last 'disbursement.
- Secured Term Loans including new term loan are secured by way of 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 Lease Rental Discounting (LRD) loan as below and excluding charge on commercial space to be Sub Licensed on long term basis covering 45% of total commercial area being sub Licensed for a long period i.e. Non-cancellable tenure of > 15 years).
  - (b) A first charge on the movable fixed assets and pertaining to the Project, both present and future (save and except Current Assets);
  - (c) A second charge on all Current Assets, including but not limited to stock, receivables in respect of the Project, both present and future provided that first charge may be created in favour of working capital lender with respect t working capital facilities
  - (d) A second charge over all bank accounts, excluding the Escrow Account, or any account in substitution thereof and any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;
  - (e) A first charge over the Escrow Account, (or any account in substitution thereof), including without limitation, any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;
  - (f) A first charge on all intangibles of the 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

\* **Vehicle loan from bank (subsidiary Company)**

Loan obtained from Kotak Mahindra Prime Ltd. Repayable in 59 equated monthly installments of Rs. 0.69 lacs beginning from March 1, 2015, and is secured against the vehicle purchased.

Loan obtained from YES Bank Ltd Repayable in 60 equated monthly installments of Rs. 1.52 lacs beginning from February 01, 2017, and is secured against the vehicle purchased.

\*\*\* **Lease rental discounting loan**

- Lease Rental Discounting (LRD) Loan from Union Bank of India is secured by first pari-passu charge over fixed assets of the Company and priority charge over lease rentals receivable by the Company from three of its sub Licensee. LRD is repayable in 108 monthly installments i.e. Rs.1,850,000 every month, the first installment is payable from 31st January, 2014. The loan carries interest rate of 12.55% p.a. payable on monthly basis which stand revised to one year MCLR + 1.70% ie 10.20% p.a w.e.f 29th April 2017.

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## \*\* Non bank financial Institution (Holding Company)

	Sanctioned		Outstanding	
	Amount as at March 31, 2017	Amount as at March 31, 2016	Amount as at March 31, 2017	Amount as at March 31, 2016
	Rs. lacs	Rs. lacs	Rs. lacs	Rs. lacs
PTC India Limited-Solar project-Term Loan	585.00	585.00	487.60	500.00
Kotak Mahindra Prime Ltd-Vehicle Loan	56.13	177.29	34.69	87.04
Kotak Mahindra Prime Limited-Term Loan	-	3,500.00	-	2,904.17
	<b>641.13</b>	<b>4,262.29</b>	<b>522.29</b>	<b>3,491.21</b>

### PTC India Limited-Solar project (Term loan)

The above facility is secured by first charge of all the immovable property, present and future of the solar project. The above facility is repayable by 162 equal monthly installments upto June, 2030.

### Kotak Mahindra Prime Limited -Vehicle Loan

The above facility is secured by hypothecation of vehicles repayable upto March, 2019 in equal monthly installments .

### Yes Bank-Vehicle Loan

The above facility is secured by hypothecation of vehicles repayable upto October, 2021 in equal monthly installments .

## \$ Unsecured Loan :

As per the sanction letter of term loan given by Kotak Mahindra Bank Limited, Mr. Sushil Kumar Gupta (Promoter) has infused subordinated interest free unsecured loan repayable after the term loans from the bank have been fully repaid.

## 6 Deferred tax liabilities (net)

	As at March 31, 2017 Rs. Lacs	Changes during the year	As at March 31, 2016 Rs. Lacs
<b>Deferred tax liabilities</b>			
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	3,567.45	(510.20)	4,077.65
	<b>3,567.45</b>	<b>(510.20)</b>	<b>4,077.65</b>
<b>Deferred tax assets #</b>			
Impact of expenses for retirement benefits to be charged to the statement of profit and loss in the current year but allowed for tax in future years	178.28	35.33	142.95
Impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	73.25	34.12	39.13
Unabsorbed depreciation	876.36	(328.75)	1,205.11
	<b>1,127.89</b>	<b>(259.30)</b>	<b>1,387.19</b>
<b>Net deferred tax liability</b>	<b>2,439.56</b>	<b>(250.90)</b>	<b>2,690.46</b>

# In view of the fact that there is no virtual certainty supported by convincing evidence in Aria Hotels & Consultancy Services Private Limited, that there will be sufficient taxable income in the near future against which deferred tax asset arising on unabsorbed depreciation/carry forward business losses can be realised, deferred tax asset has been recognised only to the extent of deferred tax liabilities.

## 7 Other long term liabilities

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
Security deposits*	10,788.64	10,720.33
<b>Total</b>	<b>10,788.64</b>	<b>10,720.33</b>

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

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## 8 Provisions

	As at March 31, 2017		As at March 31, 2016	
	Long term Rs. Lacs	Short term Rs. Lacs	Long term Rs. Lacs	Short term Rs. Lacs
<b>Provision for employee benefits</b>				
Gratuity (refer note 34 )	341.32	172.80	268.53	139.97
Leave encashment (refer note 34 )	131.45	10.00	93.58	8.44
<b>Other provisions</b>				
Proposed dividend (including dividend distribution tax)	-	-	-	137.91
<b>Total</b>	<b>472.77</b>	<b>182.80</b>	<b>362.11</b>	<b>286.32</b>

## 9 Short term borrowings

	As at March 31, 2017		As at March 31, 2016	
	Rs. Lacs		Rs. Lacs	
Loans repayable on demand - from banks (secured)	403.90		734.74	
<b>Total</b>	<b>403.90</b>		<b>734.74</b>	

\* The outstanding balance of Rs 403.90 lacs as on March 31, 2017( Previous Year 183.55 lacs) out of sanctioned limit of Rs 1000 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

The outstanding balance of Rs. 551.19 lacs (previous year Rs. 519.45 lacs) is payable on monthly payable on monthly secured by first charge by way of hypothecation on current assets and second charge on 'immovable property. Cash Credit facility currently carries an interest rate of 11.55% payable on monthly basis which stand revised to one year MCLR + 2.25% ie 10.90% p.a w.e.f 29th April 2017.

## 10 Trade payables

	As at March 31, 2017		As at March 31, 2016	
	Rs. Lacs		Rs. Lacs	
Trade payables*	2,088.79		2,294.35	
<b>Total</b>	<b>2,088.79</b>		<b>2,294.35</b>	
* Includes due to Micro, Small and Medium enterprises(Refer Note No.- 36) (to the extent information is available with the company)	2.67		1.78	

## 11 Other current liabilities

	As at March 31, 2017		As at March 31, 2016	
	Rs. Lacs		Rs. Lacs	
Current maturities of long-term debt (refer note 5)	1,024.82		2,099.47	
Advance from customers	626.53		361.56	
Sundry Creditors for capital goods (including retention money)				
-Retention money	130.28		308.02	
-Others	120.08		206.17	
Unpaid dividend*	79.38		24.14	
Interest accrued but not due	226.65		204.74	
<b>Other payables</b>				
Withholding & other taxes	656.37		576.33	
Expenses	528.92		1,206.98	
Accrued salaries & benefits	152.94		188.15	
<b>Total</b>	<b>3,545.97</b>		<b>5,175.56</b>	

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

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### 12 Fixed Assets

(Rs. in Lacs)

Particulars						Tangible assets		Intangible asset		Capital work in progress**
	Land - freehold	Land - leasehold	Buildings	Furniture, fixture & furnishings	Plant & Machinery	Vehicles	Total	Software	Total	
<b>As At March 31, 2015</b>	9,297.62	14.08	63,291.06	11,274.52	29,576.30	866.43	114,319.96	320.20	320.20	30.75
Additions	31.93	-	82.00	19.06	218.97	-	351.96	8.79	8.79	931.44
Sales /Adjustment /Transfer	-	-	(0.05)	(45.37)	(60.90)	(126.39)	(232.71)	-	-	(7.37)
Adjustment	-	-	(755.39)	486.94	268.45					
<b>As At March 31, 2016</b>	<b>9,329.55</b>	<b>14.08</b>	<b>62,617.62</b>	<b>11,735.15</b>	<b>30,002.82</b>	<b>740.03</b>	<b>114,439.21</b>	<b>328.99</b>	<b>328.99</b>	<b>954.82</b>
Additions	365.57	-	665.22	67.05	810.37	152.53	2,060.75	1.37	1.37	26.70
Sales /Adjustment /Transfer	-	-	-	(5.87)	(42.23)	(326.87)	(374.97)	-	-	(109.34)
<b>As At March 31, 2017</b>	<b>9,695.12</b>	<b>14.08</b>	<b>63,282.84</b>	<b>11,796.33</b>	<b>30,770.96</b>	<b>565.69</b>	<b>116,124.99</b>	<b>330.36</b>	<b>330.36</b>	<b>872.18</b>
<b>Depreciation</b>										
<b>As at March 31, 2015</b>	-	-	3,827.15	3,470.94	7,495.61	406.53	15,200.23	53.41	53.41	-
Charge for the year	-	-	1,671.60	1,138.61	2,280.74	96.26	5,187.20	51.08	51.08	-
Sales /Adjustment /Transfer	-	-	(0.01)	(41.54)	(44.97)	(85.30)	(171.82)	-	-	-
Adjustment	-	-	(69.79)	-	69.79	-	-	-	-	-
<b>As at March 31, 2016</b>	-	-	<b>5,428.94</b>	<b>4,568.01</b>	<b>9,801.17</b>	<b>417.49</b>	<b>20,215.62</b>	<b>104.48</b>	<b>104.48</b>	-
Charge for the year	-	-	1,687.72	1,113.41	2,367.87	72.01	5,241.01	50.72	50.72	-
Sales /Adjustment /Transfer- Aria	-	-	-	(5.61)	(29.55)	(245.25)	(280.41)	-	-	-
<b>As at March 31, 2017</b>	-	-	<b>7,116.66</b>	<b>5,675.81</b>	<b>12,139.49</b>	<b>244.24</b>	<b>25,176.21</b>	<b>155.21</b>	<b>155.21</b>	-
<b>Net Block</b>										
<b>As at March 31, 2017</b>	<b>9,695.12</b>	<b>14.08</b>	<b>56,166.17</b>	<b>6,120.52</b>	<b>18,631.47</b>	<b>321.45</b>	<b>90,948.78</b>	<b>175.15</b>	<b>175.15</b>	<b>872.18</b>
As at March 31, 2016	9,329.55	14.08	57,188.68	7,167.14	20,201.65	322.54	94,223.62	224.51	224.51	954.82

### 13 Loans and advances (unsecured considered good)

	As at March 31, 2017		As at March 31, 2016	
	Long term Rs. Lacs	Short term Rs. Lacs	Long term Rs. Lacs	Short term Rs. Lacs
Capital advance	-	91.77	-	34.10
Security deposits #	12,890.16	20.75	12,885.08	13.07
Advances recoverable in cash or in kind				
a. Considered good	-	498.80	-	748.28
b. Considered doubtful	-	58.47	-	-
Less : Provision for doubtful advances	-	(58.47)	-	-
Prepaid expenses	1,028.57	440.01	-	336.98
Advance to suppliers/contractors	-	278.67	-	233.13
Advance to employees	-	5.74	-	15.15
Advance tax (net of provision for tax 178.71 lacs (previous year Rs 174.21 lacs))	723.86	-	868.23	-
Balances with statutory authorities	-	155.52	-	216.47
<b>Total</b>	<b>14,642.59</b>	<b>1,491.26</b>	<b>13,753.31</b>	<b>1,597.18</b>

# In subsidiary Company Aria Hotels & Consultancy services Private Limited, 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 refundable at the expiry of the term of the said Agreement unless extended.

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### 14 Inventories (As taken, valued and certified by the management)

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
Wines & liquor	507.16	403.83
Provisions, other beverages and smokes	61.68	60.11
Crockery, cutlery, silverware, linen etc.	127.49	122.54
General stores and spares	133.03	214.11
Shares in trade	4.84	3.19
<b>Total</b>	<b>834.20</b>	<b>803.78</b>

### 15 Trade receivables (Unsecured, considered good unless otherwise stated)

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
Outstanding for a period exceeding six months from the due date		
Considered good	98.28	63.29
Outstanding for a period less than six months from the due date	-	-
Considered good	1,831.56	1,265.86
<b>Total</b>	<b>1,929.84</b>	<b>1,329.15</b>

### 16 Cash and cash equivalents

	As at March 31, 2017		As at March 31, 2016	
	Non Current Rs. Lacs	Current Rs. Lacs	Non Current Rs. Lacs	Current Rs. Lacs
<b>Cash and bank balances</b>				
Balances with banks in current accounts	-	1,090.47	-	1,057.90
- Balance in Cash Credit a/c with UBI	-	-	-	-
- Deposits with original maturity of less than 3 months	-	150.00	-	170.00
Cash on hand	-	15.58	-	15.38
Cheques in hand	-	45.75	-	27.76
	-	1,701.80	-	1,271.04
<b>Other bank balances</b>				
Dividend accounts	-	79.38	-	24.14
Fixed deposits with bank	-	-	-	-
Deposits with original maturity of more than 12 months	0.90	-	0.90	-
Deposits with original maturity for more than 3 months but less than 12 months	-	400.00	-	172.81
	0.90	79.38	0.90	196.95
Less : Non current bank balances (shown under note - 17)	0.90	-	0.90	-
<b>Total</b>	-	1,781.18	-	1,467.99
*includes under lien against bank guarantee issued to				
- Value added tax authorities		0.90		0.90

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## 17 Other current asset

	As at March 31, 2017		As at March 31, 2016	
	Non Current	Current	Non Current	Current
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Unbilled revenue	-	70.67	-	22.64
Interest accrued on fixed deposits	-	4.14	-	10.18
Non current bank balances	0.90	-	0.90	-
<b>Total</b>	<b>0.90</b>	<b>74.81</b>	<b>0.90</b>	<b>32.82</b>

## 18 Revenue from operations

	Year ended	Year ended
	March 31, 2017	March 31, 2016
	Rs. Lacs	Rs. Lacs
Sale of product and services		
Rooms	19,536.80	17,000.80
Wines and liquor	2,220.65	1,970.74
Food, other beverages, smokes & banquets	10,945.45	10,102.00
Sub License Fees (including maintenance fees)	1,027.50	622.64
Others	2,687.91	2,228.53
<b>Total</b>	<b>36,418.31</b>	<b>31,924.70</b>

## 19 Other income

	Year ended	Year ended
	March 31, 2017	March 31, 2016
	Rs. Lacs	Rs. Lacs
Interest Income		
from bank on FDR's	31.91	42.50
on income tax refund	37.51	-
other	0.04	-
Dividend Income	0.07	7.47
Rental Income	340.10	333.14
Gain on foreign exchange fluctuation	20.30	-
Income from sale of SEIS certificate	255.04	-
Miscellaneous Income	65.78	66.57
<b>Total</b>	<b>750.75</b>	<b>449.68</b>

## 20 Consumption of provisions, beverages, smokes and others

	Year ended	Year ended
	March 31, 2017	March 31, 2016
	Rs. Lacs	Rs. Lacs
<b>Wines &amp; liquor</b>		
Opening stock	403.83	291.13
Add : Purchases	797.72	770.27
	1,201.55	1,061.40
Less : Closing stock	507.16	403.83
	694.39	657.57
<b>Food, provisions, other beverages and smokes</b>		
Opening stock	60.11	76.28
Add : Purchases	3,310.26	3,029.75
	3,370.37	3,106.03
Less : Closing stock	61.68	60.11
	3,308.69	3,045.92
<b>Total</b>	<b>4,003.08</b>	<b>3,703.49</b>

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## 21 Employee benefit expenses

	Year ended March 31, 2017	Year ended March 31, 2016
	Rs. Lacs	Rs. Lacs
Salaries, wages, allowances & commission	5,058.76	4,829.39
Contribution to provident and other funds	303.02	288.44
Staff welfare expenses*	517.35	452.50
Contract labour & services	1,153.76	995.04
<b>Total</b>	<b>7,032.89</b>	<b>6,565.37</b>

## 22 Finance cost

	Year ended March 31, 2017	Year ended March 31, 2016
	Rs. Lacs	Rs. Lacs
Interest on		
Debentures	-	-
Term Loans	9,175.61	9,030.03
Vehicle loans	7.90	10.87
Working capital	55.91	47.36
others	51.48	43.52
Other borrowing costs	693.93	436.78
<b>Total</b>	<b>9,984.83</b>	<b>9,568.56</b>

## 23 Other expenses

	Year ended March 31, 2017	Year ended March 31, 2016
	Rs. Lacs	Rs. Lacs
Consumption of linen, room, catering and other supplies/services	923.22	704.56
Operating equipments and supplies written off	370.18	297.54
Fuel, power and light (Net)	2,815.07	3,469.61
Repairs, maintenance and refurbishing*	1,867.53	1,665.49
Rent/License fees	948.45	872.27
Rates and taxes	829.75	826.14
Insurance	92.73	94.75
Directors' sitting fee	22.09	9.88
Legal and professional expenses	712.20	598.29
Music & television	14.85	14.85
Artist fee	0.67	0.64
Stationery and printing	79.43	91.88
Travelling and conveyance	921.95	855.31
Communication expenses	187.61	194.23
Technical services	1,912.00	1,608.16
Advertisement and publicity	903.80	759.10
Commission and brokerage	1,329.57	1,123.34
Bank Charges	5.00	2.61
Charity & donation	5.44	12.86
Gain/(loss) on trading of shares/derivatives	-	0.75
Loss on fixed assets sold/discarded (net)	5.65	21.29
Provision for doubtful debts	58.47	-
Recruitment & training	49.52	47.43
Gain/Loss on foreign exchange	-	29.54
Equipment Hire Charges	87.88	95.08
Miscellaneous	258.05	292.11
	-	-
<b>Total</b>	<b>14,401.11</b>	<b>13,687.71</b>
*Repairs & maintenance - buildings		
Repairs & maintenance - plant & machinery	620.76	508.37
Repairs & maintenance - others	969.97	933.57
	<b>276.80</b>	<b>223.55</b>

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## 24 Earnings per share

Loss for the year	(2,815.68)	(5,056.50)
Weighted average of number of equity shares used in computing basic earnings per share	1,14,58,303	1,14,58,303
Basic earnings per share	(24.57)	(44.13)
Weighted average of number of equity shares including potential dilutive shares* #	1,14,58,303	1,14,58,303
Diluted earnings per share	(24.57)	(44.13)

\* # Subject to the exit provisions of the Investment Agreement, statutory and other approvals, if any, the Company and the subsidiary company – M/s Aria Hotels & Consultancy Services Private Limited( Aria) had to provide the investors ( IL&FS Group) the exit option after March 31, 2013. Aria had provided the exit option to investors (IL&FS Group) as per the terms & conditions of the Investment Agreement, however the matter has still not been concluded and is pending . In view of the same, impact of future dilutive potential equity shares has not been considered in calculating diluted earnings per share.

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

(Rs. in Lacs)

Particulars	Amount As At March 31, 2017	Amount As At March 31, 2016 (Rs. in Lacs)
Duty Saved against Export obligation*	1391.33	2198.42
Corporate Guarantees on behalf of Subsidiaries	1563.65	2296.92
Show cause Notices raised by Service Tax Authorities and contested by the company.	515.51	515.51
Show cause Notices raised by Service Tax Authorities and contested by the company.	40.37	40.37
Property Tax Demand ( Refer Note 27)	534.76	392.21
<b>Maharashtra VAT Act, 2002</b>		
Demand Notice raised for VAT Assessment FY 2010-11 and contested by the company.	244.70	244.00
Demand Notice raised for VAT Assessment FY 2011-12 and contested by the company.	87.13	87.13
Demand notice towards disallowance and mismatch of set-off on closing stock and VAT on service tax levied on food and beverages during VAT assessment for FY 2012-13.	55.40	-
Consumer dispute redressal forum Mumbai – Guest compliant for forfeiture of event deposit	19.00	19.00
Stamp Duty matter**	-	-

\* The subsidiary company (“Aria”) has imported certain capital goods under the EPCG Licenses obtained for imports. As against licensed imports, the company has undertaken a future export obligation to earn additional foreign exchange which stands at Rs 11,131 lakhs as on March 31, 2017 (Previous Year: 16,890 lakhs).

\*\* The subsidiary company (“Aria”) has received a show cause notice under the Indian Stamp Act, 1899 stating that the stamp duty is payable on development agreement for the use of land given by Delhi International Airport (P) Ltd. (DIAL). However as per legal advice obtained by the company, there are reasonable chances that there will not be any liability on company on account of the above as the Development Agreement with DIAL is in the nature of License. The Company has filed a writ petition before the Hon'ble High Court of Delhi (HC) and the HC has granted ex-parte interim stay.

26. Holding 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 for refund of remaining amount and hence been included under “Loans and Advances” as “Claim Recoverable”. On February 9, 2016 Asst. Commissioner of Refund has rejected company refund claims on ground of unjust enrichment and does not prove that burden of tax paid was not passed to the customer directly or by way of increase in the cost of services . Company has filed Appeal with Commissioner of Appeal contesting department claims.

27. A The holding Company has received property tax demand of Rs. 571.13 lacs from Mumbai Municipal Corporate (“MMC”) based on capital value system which is retrospectively from April 01, 2010, out of which, we have already booked and paid Rs. 302.63 lacs in our books of accounts pertaining from Financial Year 2010-11 to 2014-15. 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 company has made provision as per Interim High Court Order for the demand raised by MMC in the financial statements.



# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

B. In Aria Hotels & Consultancy Services Private Limited, the subsidiary Company, Property Tax demand for the period 2009-10 to 2013-14 was raised by South Delhi Municipal Corporation (SDMC) on 23/12/2013. The Company had challenged the said demand and had filed an appeal with the Hon'ble High Court of Delhi, inter alia on grounds of the jurisdiction of the SDMC and non-provision of the infrastructural services by the said authority. Based on interim order of the Hon'ble High Court of Delhi, the Company has paid Rs 267.08 lacs for the period July 2009 to March 2017 at the tax rate of 10%. However, during the current year, the SDMC again raised the demand at the tax rate of 20%. Accordingly, differential amount of Rs 266.27 lacs (excluding interest at the rate of 1% per month which is leviable as per demand notice and will be finalized on the conclusion of assessment) for the period July 2009 to March 2017 is considered as contingent liability.

28. IL&FS Trust Company Limited, Mumbai (IL&FS Trust) and IIRF India Realty XVI Limited, Mauritius (IIRF India), (hereinafter jointly referred as the Investors), had entered into an Investment Agreement with the Company (AHLW), M/s Aria Hotels and Consultancy Services Pvt. Ltd (ARIA, Subsidiary of the Company), and the Promoters (Mr. Sushil Kumar Gupta, Mr. Sudhir Gupta and Mr. Sandeep Gupta) dated June 17, 2010, wherein the Investors invested 13,461,538 equity shares of Rs.10 each @ Rs. 26 each and 17,307,692 Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each @ Rs. 26 each in ARIA. The CCPS have a coupon rate of 0.01% p.a. and have term of 6 years from the date of issuance. Subject to the provisions of Investment Agreement, statutory and other approvals, if any, AHLW and ARIA were to provide the investors the first exit option after March 31, 2013 (and before April 1, 2015) by way of merger of the Company with AHLW or swap of investors securities with Equity Shares of AHLW, not exceeding 14 % of the issued and paid up Equity Share capital of AHLW, on a fully diluted basis. ARIA had provided the first exit option to investors before April 1, 2015 and based on legal advice is of the opinion that three exit options as per Investment Agreement are sequential in order.

Subsequently, during the current year, 1st tranche of 53,717 CCPS held by one of the investors i.e. IL&FS Trust that had become due for automatic conversion in July 2016 have been converted into 14,887 Equity Shares in the ratio of 1:0.2771 by ARIA as per the provisions of clause I(4) of Schedule 2 of the Investment Agreement. Simultaneously, 3,861,538 CCPS held by AHLW in ARIA have been converted into same number of equity shares in the ratio of 1:1. However, the conversion and allotment of 1st tranche of CCPS of IIRF India due in July, 2016 into equity shares was not carried out and is pending on account of RBI's approval for change in ratio of conversion.

The above conversion was challenged by investors before Hon'ble Delhi High Court that has directed vide its order dated September 30, 2016 to maintain status quo as of date with regard to the status of CCPS (both tranches) till such time the issue is decided by Arbitral Tribunal, which has since been constituted on May 5, 2017.

In view of the above facts, the Company is of the view that the above matters do not require any adjustment to the carrying value or classification of balances in the current financial statements.

### 29. Capital and other Commitments :

Particulars	2016-17 Rs. Lacs	2015-16 Rs. Lacs
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	185.59	67.98
Other Commitments	54.19	60.47
Amount payable to Yes Bank Limited as a facility arrangement fee (refer note 37).	-	1200.00

30. 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 been adjudicated to Rs 1,157 lacs vide order dated 31st May'2016 passed by Collector of Stamps, Mumbai City and subsequently the company has made the said payment on 20th July'2016. The property title has been transferred in favor of the company.

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

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

S. No.	Particulars	As at March 31, 2017 (Rs. Lacs)	As at March 31, 2016 (Rs. Lacs)
a.	Not later than one year	1,009.02	956.41
b.	Later than one year and not later than five years	4622.40	4381.43
c.	Later than five years	27004.74	28,254.73

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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

S. No.	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
a.	Not later than one year	776.5	564.37
b.	Later than one year and not later than five years	1110.25	955.02
c.	Later than five years	1649.37	1734.11

**33. Auditors Remuneration (Exclusive of Service Tax):**

(Rs. in Lacs)

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
a.	Statutory Audit Fee	29.00	27.00
b.	Tax Audit Fee	3.00	3.00
c.	Limited Review Fee	9.00	9.00
d.	Reimbursement of Expenses	2.16	1.05
e.	Other Services(Certification Fees)	5.00	-
	<b>Total</b>	<b>48.16</b>	<b>40.05</b>

**34. The Group 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, 2017.

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

**i. Change in benefit obligations:**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Present value of obligations as at the beginning of the year	408.50	362.22	102.00	108.60
Current service cost	74.25	58.02	56.05	45.61
Interest cost	32.68	28.89	8.16	8.56
Benefit Paid	(25.14)	(36.84)	(50.02)	(75.10)
Actuarial (gain)/ loss on obligation	23.83	(3.79)	25.25	14.32
<b>Present value of obligations as at the year end</b>	<b>514.12</b>	<b>408.50</b>	<b>141.45</b>	<b>101.99</b>

**ii. Expenses recognized in the Statement of Profit and Loss :**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Current Service cost	74.25	58.02	56.05	45.61
Interest cost	32.68	28.89	8.16	8.56
Actuarial (gain)/loss recognized during the year	23.83	(3.79)	25.25	14.32
<b>Net charge/(credit)</b>	<b>130.76</b>	<b>83.12</b>	<b>89.46</b>	<b>68.49</b>

**iii. Amount recognized in Balance Sheet :**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	2016-17	2015-16	2016-17	2015-16
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Present value of obligations as at the end of the year	514.12	408.50	141.45	101.99
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	(514.12)	(408.50)	(141.45)	(101.99)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gain)/ losses	-	-	-	-
<b>Net assets/ (liability) recognized in the balance sheet</b>	<b>(514.12)</b>	<b>(408.50)</b>	<b>(141.45)</b>	<b>(101.99)</b>

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

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Current liability	172.80	139.97	10.01	8.43
Non-Current liability	341.33	268.53	131.45	93.56
<b>Total PBO at the end of year</b>	<b>514.13</b>	<b>408.50</b>	<b>141.46</b>	<b>101.99</b>

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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

Particulars	Gratuity (Unfunded)				
	16-17	15-16	14-15	13-14	12-13
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Present value of obligation as at the end of period	514.13	408.50	362.22	317.70	283.11
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus / (Deficit)	(514.13)	(408.50)	(362.22)	(317.70)	(283.11)
Experience adjustment on plan Liabilities (loss) / gain	3.81	(3.79)	6.39	4.83	0.22
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-

Particulars	Compensated absences Earned leave (Unfunded)				
	16-17	15-16	14-15	13-14	12-13
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Present value of obligation as at the end of period	141.46	101.99	108.60	116.05	98.10
Fair value of plan assets at the end of the period	-	-	-	-	-
Surplus / (Deficit)	(141.46)	(101.99)	(108.60)	(116.05)	(98.10)
Experience adjustment on plan Liabilities (loss) / gain	(11.71)	14.32	3.19	27.13	5.43
Experience adjustment on plan Assets (loss) / gain	-	-	-	-	-

vi. Principal Actuarial Assumptions:

Particulars	Refer Note below	Year ended March 31,2017	Year ended March 31,2016
Discount rate (p.a.) Holding Co.	1	7.35%	8%
Discount rate (p.a.) Subsidiary Co	1	7.36%	8%
Salary escalation rate (p.a.)-Holding Co.	2	7%	7%
Salary escalation rate (p.a.)-Subsidiary Co.	3	5.5%	5.5%

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 - 60 years
- Mortality rate Published rates under LIC (1994-96) mortality table.

35. 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: -

- Key management personnel
  - Mr. Sushil Kumar Gupta (Chairman & Managing Director)
  - Mr. Sudhir Gupta (Executive Director)
  - Mr. Sandeep Gupta (Executive Director)

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

- Mr. Rakesh Kumar Aggarwal (Group Chief Financial Officer w.e.f 28.05.2014)
  - Mr. Vivek Jain (Company Secretary w.e.f. 14-11-2015)
  - Mr. Nikhil Sethi (Company Secretary till 12-09-2015)
  - Mrs. Nupur Garg (Company Secretary)
- (ii) Relative of key management personnel
- Ms.Sukriti Gupta (Daughter of Executive Director)
  - Mr.Sidharth Aggarwal (Son of Mr. Rakesh Kumar Aggarwal)
- (iii) Entities over which Directors and their relatives can exercise significant influence
- Eden Park Hotels Private Limited
  - Bhasin & Co.
  - Mettel Estates Private Limited
  - Godfrey Philips India Ltd
  - Aria International Limited

### Balances outstanding/transactions with related parties

Particulars	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
<b>A. Transactions during the year</b>				
<b>(i) Purchases/Services availed during the year</b>				
Bhasin& Co	- (-)	- (-)	<b>1.80</b> (1.79)	<b>1.80</b> (1.79)
Mr.Sidharth Aggarwal	- (-)	<b>12.55</b> (10.34)	- (-)	<b>12.55</b> (10.34)
Ms.Sukriti Gupta	- (-)	<b>6.00</b> (6.00)	- (-)	<b>6.00</b> (6.00)
Mettel Estates Private Limited(Includes Finance Cost)	- (-)	- (-)	<b>122.58</b> (-)	<b>122.58</b> (-)
<b>(ii) Sales/Services provided during the year</b>				
Godfrey Philips India Ltd	- (-)	- (-)	- (11.87)	- (11.87)
<b>(iii) Expenses paid</b>				
▪ Aria International Limited	- (-)	- (-)	<b>69.14</b> (75.47)	<b>69.14</b> (75.47)
<b>(iv) Advances given back</b>				
▪ Mettel Estates Private Limited( Includes Finance Cost)	- (-)	- (-)	<b>10122.58</b> (-)	<b>10122.58</b> (-)
▪ Mr Sushil Kumar Gupta	<b>207.00</b> (-)	- (-)	- (-)	<b>207.00</b> (-)
<b>(v) Advances received back</b>				
Mr. Nikhil Sethi	- (4.40)	- (-)	- (-)	- (4.40)
<b>(vi) Advances received</b>				
▪ Mettel Estates Private Limited	- (-)	- (-)	<b>10000.00</b> (-)	<b>10000.00</b> (-)
<b>(vii) Managerial remuneration/Salary</b>				
Mr. Sushil Kumar Gupta#	<b>138.54</b> (128.77)	- (-)	- (-)	<b>138.54</b> (128.77)

# ASIAN HOTELS (WEST) LIMITED

CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Mr. Sudhir Gupta#	119.09 (110.11)	- (-)	- (-)	119.09 (110.11)
Mr. Sandeep Gupta#	127.30 (109.71)	- (-)	- (-)	127.30 (109.71)
Mr. Nikhil Sethi	- (24.34)	- (-)	- (-)	- (24.34)
Mr. Rakesh Kumar Aggarwal	55.35 (60.38)	- (-)	- (-)	55.35 (60.38)
Mr. Vivek Jain	30.47 (12.11)	- (-)	- (-)	30.47 (12.11)
Mrs Nupur Garg	16.57 (15.15)	- (-)	- (-)	16.57 (15.15)
<b>B. Balances outstanding at the year end</b>				
<b>(i) Account Payable</b>				
Mr. Sushil Kumar Gupta – Subordinated loan	- (207)	- (-)	- (-)	- (207)

Note : Previous Year Figure has been shown in bracket

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

**36. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of information available with the Group:**

Particulars	2016-17	2015-16
	Rs Lacs	Rs Lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	2.67	1.78
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>2.67</b>	<b>1.78</b>

**37. In April 2016, the company has taken a short term unsecured loan from related party, Mettel Estates Private Ltd of Rs 10000.00 Lacs, Which has been utilized for repaying Kotak Bank Term loan.**

In April 2016, the Company has entered into facility arrangement with Yes Bank Limited (YBL) for its entire banking and borrowing facilities. The Company was sanctioned borrowing facilities aggregating to Rs 21500.00 Lacs from the YBL (Term Loan of Rs 20000.00 Lacs, Overdraft Facility of Rs 1000.00 Lacs and Non-fund LC/ BG facility of Rs 500.00 Lacs). Term Loan shall be repayable in 44 structured quarterly installments after 36 months of moratorium period.

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

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

Name of the Company	No. of Shares		Cost/Market Value whichever is lower	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
ICICI Bank Limited	350	350	0.97	0.83
Reliance Capital Limited	500	500	3.08	1.84
State Bank of India	270	270	0.79	0.52
<b>Total</b>			<b>4.84</b>	<b>3.19</b>

39. 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. Lacs
Accounts payable	USD	8,01,014	519.14
		(9,26,925)	(619.39)
Accounts receivable	USD	45,048	29.20
		(-)	(-)

There is no hedged foreign currency exposure.

Figures in brackets relate to the previous year.

40. There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard 29 on "Provisions, Contingent Liabilities & Contingent Assets".
41. The Group has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.
42. In the opinion of Board, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they stated and provision for all known liabilities has been made and considered adequate.
43. During the year, the provisions of section 135(5) of Companies Act, 2013 doesn't apply on the Company. However, during the year the Company has spent Rs. 5 Lacs on CSR activities out of the un-spent amount of previous year's (amounting to Rs. 10.70 Lacs) as per the CSR policy of the Company.
44. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013.

Name of entity	March 31, 2017				March 31, 2016			
	Net assets, i.e., total assests minus total liabilities		Share in profit or loss		Net assets, i.e., total assests minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
A Parent Subsidiary Indian								
Aria Hotels and Consultancy Services Private Limited	54.29%	7981.86	87.86%	(2929.78)	62.50%	10911.64	93.66%	(5723.56)
Minority Share Holders	9.02%	1326.12	31.62%	(1054.28)	10.90%	1903.92	17.25%	(1054.28)

# ASIAN HOTELS (WEST) LIMITED

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

<u>Particulars</u>	<u>SBNs</u>	<u>Other Denomination</u>	<u>Total</u>
	<u>Amount</u> <u>Rs. lacs</u>	<u>Notes</u> <u>Amount</u> <u>Rs. lacs</u>	<u>Amount</u> <u>Rs. lacs</u>
Closing cash in hand as on 08.11.2016	22.07	3.49	25.55
(+) Permitted receipts	0.00	280.92	280.92
(-) Permitted Payments	0.09	106.19	106.28
(-) Amount deposited in Banks	21.98	150.87	172.85
Closing cash in hand as on 30.12.2016	<b>0.00</b>	<b>27.34</b>	<b>27.34</b>

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

As per our report of even date

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

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

Chartered Accountants

FRN : 000756N

**SUNIL WAHAL**

Partner

Membership No. : 087294

**SUSHIL KUMAR GUPTA**

Chairman &  
Managing Director

DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director

DIN 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No. : AAAPA3338D

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

Place : New Delhi

Dated : May 26, 2017









**ASIAN HOTELS (WEST) LIMITED**

**CIN: L55101DL2007PLC157518**

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