ELEVENTH

Annual Report

2017-18

ASIAN HOTELS (WEST) LIMITED

HYATT REGENCY
MUMBAI

JW MARRIOTT
NEW DELHI AEROCITY

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

BANKER
Yes Bank Limited

REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT
CIN: L55101DL2007PLC157518
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 House
Karvy Selenium Tower-B,
Plot No 31 & 32, Financial District,
Nanankramguda, Serilingampally Mandal,
Hyderabad -500032
Tel No. : 040-23420815-24
Fax No. : 040-23420814
E Mail : mailmanager@karvy.com

Contents

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 11th Annual Report and Audited Accounts for the Financial Year ended on 31st March, 2018.

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:

(Rupees in Crores)

Particulars	2017-18	2016-17
Total Revenue	**154.12**	150.02
Profit Before Tax	**5.98**	2.01
Provision for Taxation		
- Current Tax	**2.17**	0.34
- MAT Credit Entitlement	**(0.28)**	-
- Earlier Year Tax	**0.05**	0.01
- Deferred Tax Charges (Credit)	**(0.16)**	0.21
Profit After Tax	**4.20**	1.47
- Other Comprehensive Income/(Loss)	**0.19**	(0.17)
Total Comprehensive Income/(Loss)	**4.39**	1.29
Transfer to General Reserve	**-**	-
Proposed Dividend on Equity Shares	**1.14**	1.14
Corporate Dividend Tax	**0.23**	0.23
Earnings Per Share - Basic (Rupees)	**3.83**	1.13
Earnings Per Share - Diluted (Rupees)	**3.83**	1.13

REVIEW OF OPERATIONS

The Gross Revenue of the Company for the financial year under review was Rs. 154.12 Crores as against Rs. 150.02 Crores for the previous financial year ended on 31st March, 2017. The profit before tax (after interest and depreciation) was Rs. 5.98 Crores and total comprehensive income after tax was Rs. 4.39 Crores for the financial year ended 31st March, 2018 as against Rs. 2.01 Crores and Rs. 1.29 Crores respectively for the previous year ended on 31st March, 2017.

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 31st March, 2018 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).

FIRST-TIME ADOPTION OF IND AS

The financial statements for the year ended 31st March, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "previous GAAP").

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2018, together with the comparative period data as at and for the year ended 31st March, 2017. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2016, the Company's date of transition to Ind AS.

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. 406.80 crores as against Rs. 382.05 crores in the previous financial year. The consolidated total comprehensive income/(loss) after tax was Rs. (11.63) crores as against Rs. (31.38) crores in the previous year. The total controlling comprehensive income/(loss) after tax was Rs. (8.91) crores as against Rs. (25.59) crores in the previous year ended on 31st March, 2017.

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

SUBSIDIARY COMPANY

As on date, your Company has one subsidiary company - Aria Hotels and Consultancy Services Private Limited (ARIA). ARIA is the owner of 523 room's 5-Star deluxe hotel under the brand J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, New

Delhi. 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. The hotel was awarded as 'Best Luxury Hotel' of the year at the 9th Annual Magpie Estate Hotel & Resort Awards 2017. In October, 2017, under Travelers Choice awards, the Hotel's Restaurant, K3 has been awarded 4th rank among the best 10 fine dining restaurants in India.

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 still pending before the Arbitration Tribunal.

DEBT

During the last financial year (2016-17) the Company had entered into facility arrangement with Yes Bank Limited for re-financing its entire banking facilities (except Term Loan facility from PTC India Financial Services Limited) total outstanding debt with Yes Bank Limited as on 31st March, 2018 is Rs.193.00 Crores.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the requirement of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, Mr. Sudhir Gupta, Executive (Whole-Time) Director and Mr. Sandeep Gupta, Executive (Whole-Time) Director of the Company are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. The Board of Directors recommends their re-appointment.

Mr. Raj Kumar Bhargava, Dr. Lalit Bhasin, Mr. Surendra Singh Bhandari and Mr. Surinder Singh Kohli, Independent Directors will be completing their present term as Independent Director of the Company on March 31, 2019. On the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on May 30, 2018 subject to the approval of shareholders by special resolution, has re-appointed Mr. Raj Kumar Bhargava, Dr. Lalit Bhasin, Mr. Surendra Singh Bhandari and Mr. Surinder Singh Kohli as an Independent Directors of the Company for second term. Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be reappointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an annexure to the Notice of the ensuing AGM.

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 comprised of Independent Directors. Your Company is in compliance with the governance requirements provided under the Companies Act, 2013 and Listing Regulations. Your Company has in place all the Committees required under the applicable law(s).

As required by regulation 34 of the Listing Regulations with the Stock Exchanges, a Report on Corporate Governance for the Financial Year 2017-18, 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.R. Batliboi & Co., LLP, Chartered Accountants, were appointed in compliance with provisions of the Companies Act, 2013 read with the rules made thereunder in the 10th AGM of the Company for period of 5 years upto conclusion of 15th 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.

- **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 31st March, 2018. The Secretarial Audit Report (in Form MR-3) is annexed as **Annexure 7** hereto and forms a part of this report. The comments of Secretarial Auditors are self-explanatory and therefore do not call for any further clarifications.

- **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 41 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. 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 no materially significant transaction with related parties during the Financial Year 2017-18 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/Ind-AS-24 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 31, 2018 and May 30, 2018 (date of report)**

  There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2018) and the date of the Report (May 30, 2018), except as disclosed in the financial statements.

- **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 understand the mutual interdependence between our business and the economic, social and human environment that surrounds us. 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 entire un-spent amount of previous year's as per the CSR policy of the Company.

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.

- **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.

- **Internal Control System and their Adequacy**

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

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.

GREEN INITIATIVES

Electronic copies of the Annual Report and notice of the 11th 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 11th 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. Sonale Zagade is the presiding officer for Hyatt Regency Mumbai.

During the Financial Year 2017-18, NO 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
Date: 30th May, 2018

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

ANNEXURE 1 TO THE DIRECTORS' REPORT

Form AOC-1

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

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

Part "A": Subsidiaries

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

S. No.	Particulars	Details
1.	Name of the subsidiary	Aria Hotels And Consultancy Services Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2018
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	9420.19
5.	Reserves & surplus	(13506.59)
6.	Total assets	83118.68
7.	Total Liabilities	83118.68
8.	Investments	Nil
9.	Turnover	26157.93
10.	Loss before taxation	(1555.80)
11.	Provision for taxation	Nil
12.	Loss after taxation	(1547.24)
13.	Proposed Dividend	Nil
14.	% of shareholding	82.49%

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

1. Names of subsidiaries which are yet to commence operations : **None**
2. 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

ANNEXURE 2 TO THE DIRECTORS' REPORT

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

Sl. No	Name of the employee	Designation of the employee	Remuneration received (In Rupees)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	date of commencement of employment	Age of such employee (in years)	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
(A) The names of top ten employees in terms of remuneration drawn										
1.	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	1,60,29,542	Permanent	Hotel Management Graduate (18 years)	09.12.2015	44	EAM Room, Grand Hyatt, Doha	NIL	None
2.	Mr. Sushil Kumar Gupta	Chairman & Managing Director	1,49,98,225	Up to 31st October, 2019 (Contractual- Liable to retire by rotation)	F.S.C,CHA (55 years)	26.04.2007	74	Asian Hotels Limited	4.70%	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and father of Mr. Sandeep Gupta
3.	Mr. Sudhir Chamanlal Gupta	Executive (Whole-time) Director	1,27,43,587	Up to 9th May, 2020 (Contractual- Liable to retire by rotation)	'Graduate from HKIS, Hong Kong'(35 years)	26.04.2007	59	_	1.87%	Mr. Sudhir Gupta is the Brother of Mr. Sushil Gupta and uncle of Mr. Sandeep Gupta
4.	Mr. Sandeep Gupta	Executive (Whole-time) Director	1,27,43,587	Up to 9th May, 2020 (Contractual- Liable to retire by rotation)	B.com (Hons) SRCC, New Delhi, MBA from Notre Dame University, U.S.A., Specializing in Finance & Marketing, PDP-Cornell University (27 years)	26.04.2007	49	_	3.80%	Mr. Sandeep Gupta is the son of Mr. Sushil Gupta and nephew of Mr. Sudhir Gupta
5.	Mr. Amit Gupta	Senior Vice President -Finance	62,29,212	Permanent	FCA,ICWA (22years)	02.01.2008	45	AVP Finance, City Max Hotels, Landmark Group, Mumbai	NIL	None
6.	Mr. Rakesh Kumar Aggarwal	C.F.O.	58,85,866	Permanent	FCA (40 years)	01.04.2015	65	VP- Finance- Aria Hotels	NIL	None
7.	Mr. Nitin Kerkar	Director Of Engineering	34,56,666	Permanent	Marine Engineering (22 years)	24.07.2006	43	Factory Manager at Suparna Chemicals	NIL	None
8.	Mr. Vivek Jain	Company Secretary	32,47,934	Permanent	FCS (13 years)	01.10.2015	35	Company Secretary –MBL Infrastructures Limited	NIL	None
9.	Mr. Sulabh Suri	Director Of Human Resources	32,36,322	Permanent	MBA in Human Resources (19 years)	09.08.2012	40	Dir. of Human Resources at Grand Hyatt Goa	NIL	None
10.	Ms. Sonale Zagade	Director of Operations	30,98,606	Permanent	BHMCT(17 years)	16.03.2015	38	Dir. of Rooms at Hyatt Regency Chennai	NIL	None

(B) Personnel who are in receipt of remuneration aggregating not less than Rs. 1.02 Crores per annum and employed through out the year :										
1.	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	1,60,29,542	Permanent	Hotel Management Graduate (18 years)	09.12.2015	44	EAM Room, Grand Hyatt, Doha	NIL	None
2.	Mr. Sushil Kumar Gupta	Chairman & Managing Director	1,49,98,225	Up to 31st October, 2019 (Contractual-Liable to retire by rotation)	F.S.C,CHA (55 years)	26.04.2007	74	Asian Hotels Limited	4.70%	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and father of Mr. Sandeep Gupta
3.	Mr. Sudhir Chamanlal Gupta	Executive (Whole-time) Director	1,27,43,587	Up to 9th May, 2020 (Contractual-Liable to retire by rotation)	'Graduate from HKIS, Hong Kong'(35 years)	26.04.2007	59	–	1.87%	Mr. Sudhir Gupta is the Brother of Mr. Sushil Gupta and uncle of Mr. Sandeep Gupta
4.	Mr. Sandeep Gupta	Executive (Whole-time) Director	1,27,43,587	Up to 9th May,2020 (Contractual-Liable to retire by rotation)	B.com (Hons) SRCC, New Delhi, MBA from Notre Dame University, U.S.A., Specializing in Finance & Marketing, PDP-Cornell University (27 years)	26.04.2007	49	–	3.80%	Mr. Sandeep Gupta is the son of Mr. Sushil Gupta and nephew of Mr. Sudhir Gupta
(C) Personnel who are in receipt of remuneration aggregating not less than Rs. 8.5 Lakhs per months and employed for part of the year :										

Nil

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

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

ANNEXURE 3 TO THE DIRECTORS' REPORT

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

I) The ratio of the remuneration of each of the Executive Director to the Median remuneration of the employees of the Company for the financial year 2017-18; and

II) The percentage increase in remuneration of each of the Executive Director, Chief Financial Officer, Company Secretary during the financial year 2017-18.

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	53.99:1	8.26%#
2.	Mr. Sudhir Gupta, Executive (Whole-Time) Director	45.87:1	7.01%#
3.	Mr. Sandeep Gupta, Executive (Whole-Time) Director	45.87:1	7.36%#
4.	Mr. Rakesh Kumar Aggarwal, (CFO)	NA	6.50%
5.	Mr. Vivek Jain (Company Secretary)	NA	6.50%

as per the shareholders approval in the 10th AGM of the Company held on 11th July, 2017.

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 2017-18 was **(8.03%)**

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 31st March, 2018 were **427.**

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

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is approx 5.00% and whereas the percentile increase in the managerial remuneration for the same period was approx 7.58% which was in terms of shareholders approval at the 10th AGM of the Company held on 11th July, 2017.

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

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

ANNEXURE 4 TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is expected to grow 7.3 per cent in 2018-19.

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

India has retained its position as the third largest start-up base in the world with over 4,750 technology start-ups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's foreign exchange reserves were US$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

Recent Developments

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US$ 77.6 billion in 2017 while private equity (PE) deals reached US$ 24.4 billion. Some of the important recent developments in Indian economy are as follows:

1. India's Foreign Direct Investment (FDI) inflows reached US$ 208.99 billion during April 2014 - December 2017, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
2. India's Index of Industrial Production (IIP) rose 7.5 per cent year-on-year in January 2018 while retail inflation reached a four month low of 4.4 per cent in February 2018.
3. Indian companies raised Rs 1.6 trillion (US$ 24.96 billion) through primary market in 2017.
4. Moody's upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook.
5. The top 100 companies in India are leading in the world in terms of disclosing their spending on corporate social responsibility (CSR), according to a 49-country study by global consultancy giant, KPMG.
6. India has improved its ranking in the World Bank's doing Business Report by 30 spots over its 2017 ranking and is ranked 100 among 190 countries in 2018 edition of the report.
7. India's ranking in the world has improved to 126 in terms of its per capita GDP, based on purchasing power parity (PPP) as it increased to US$ 7,170 in 2017, as per data from the International Monetary Fund (IMF).
8. The World Bank has stated that private investments in India is expected to grow by 8.8 per cent in FY 2018-19 to overtake private consumption growth of 7.4 per cent, and thereby drive the growth in India's gross domestic product (GDP) in FY 2018-19.
9. The Niti Aayog has predicted that rapid adoption of green mobility solutions like public transport, electric vehicles and car-pooling could likely help India save around Rs 3.9 trillion (US$ 60 billion) in 2030.
10. The Nikkei India manufacturing Purchasing Managers' Index increased at the fastest pace in December 2017 to reach 54.7, signaling a recovery in the economy.

Government Initiatives

The Union Budget for 2018-19 focused on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. Budgetary allocation for infrastructure is set at Rs 5.97 lakh crore (US$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. The Prime Minister has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

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

1. The Union Cabinet gave its approval to the North-East Industrial Development Scheme (NEIDS) 2017 in March 2018 with an outlay of Rs 3,000 crores (US$ 460 million) up to March 2020.
2. In March 2018, construction of 321,567 additional houses across 523 cities under the Pradhan Mantri Awas Yojana (Urban) has been approved by the Ministry of Housing and Urban Poverty Alleviation, Government of India with an allocation of Rs 18,203 crore.

3. The Ministry of Power, Government of India has partnered with the Ministry of Skill Development & Entrepreneurship to provide training to the manpower in six states in an effort to speed up the implementation of SAUBHAGYA (Pradhan Mantri Sahaj Bijli Har Ghar Yojna).
4. Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of Rs 5,500 crore (US$ 844.81 million) for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).
5. In February 2018, the Union Cabinet Committee has approved setting up of National Urban Housing Fund (NUHF) for Rs 60,000 crore (US$ 9.3 billion) which will help in raising requisite funds in the next four years.
6. The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.
7. The Government of India has decided to invest Rs 2.11 trillion (US$ 32.9 billion) to recapitalise public sector banks over the next two years and Rs 7 trillion (US$ 109.31billion) for construction of new roads and highways over the next five years.
8. The mid-term review of India's Foreign Trade Policy (FTP) 2015-20 has been released by Ministry of Commerce & Industry, Government of India, under which annual incentives for labour intensive MSME sectors have been increased by 2 per cent.
9. The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organisations, to push for rural development under its 'Mission Antyodaya' and has already selected 50,000 panchayats across the country for the same.
10. India's revenue receipts are estimated to touch Rs 28-30 trillion (US$ 436- 467 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

Road Ahead

India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY2027 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

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

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

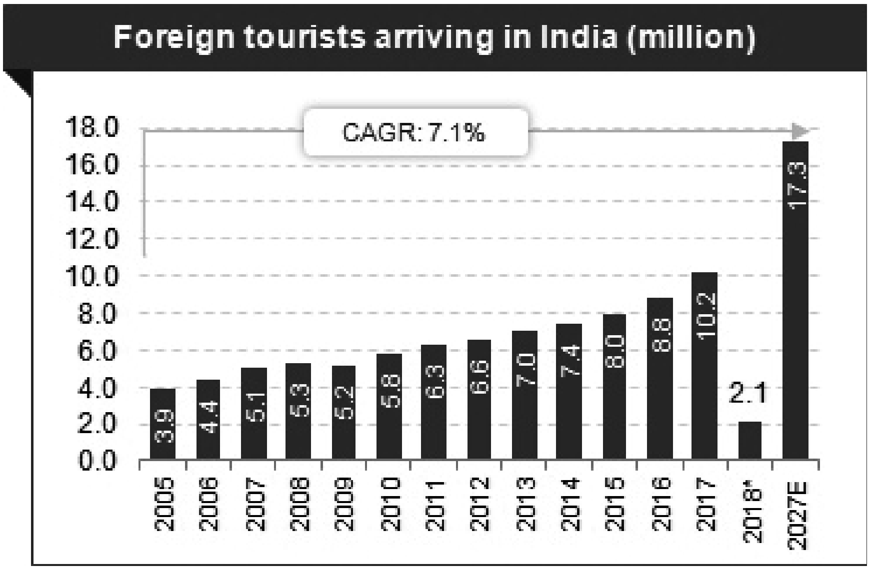
The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India's Foreign Exchange Earnings (FEEs) increased by 17.6 per cent year-on-year in January 2018 over January 2017.

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 2017, the hotel and tourism sector attracted around US$ 10.90 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 Rs. 15.24 trillion in 2017 to Rs. 32.05 trillion in 2028. Travel and tourism is the third largest foreign exchange earner for India. In February 2018, the country earned foreign exchange of around US$ 2.706 billion, from the tourism sector.

- In CY2017, foreign tourist arrival in India stood at 10.177 million and reached 2.12 million in CY 2018 (up to February).
- Foreign tourist arrivals into the country is forecast to increase at a CAGR of 7.1 per cent during 2005–25
- The number of Foreign Tourist Arrivals (FTAs) in February 2018 were 1.05 million as compared to FTAs of 0.956 million in February 2017 and 0.849 million in February 2016.
- The growth rate in FTAs in February 2018 over February 2017 was 10.1 per cent.
- The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.
- The Government of India is working to achieve 1 per cent share in world's international tourist arrivals by 2020 and 2 per cent share by 2025



Note: CY- Calendar Year, E- Estimated, * Up to February 2018

Source: World Travel and Tourism Council's Economic Impact 2017, News article

Market Size

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

India's rising middle class and increasing disposable incomes has continued to support the growth of domestic and outbound tourism.

As per Ministry of Tourism, Foreign Tourist Arrivals (FTAs) in India increased 8.4 per cent year-on-year to 1.06 million and the number of FTAs on e-tourist visa increased 58.5 per cent to 2.40 lakh foreign tourist.

India is ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017. 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.

A sum of US$ 27.693 billion was earned under foreign exchange through tourism during calendar year 2017. Total employment in the sector is expected to rise to 52.3 million jobs by 2028. During calendar year 2017, 10.177 million foreign tourists have arrived in India. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.

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.

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 Government of India signed a loan agreement for US$ 40 million with the World Bank for the Uttar Pradesh Pro-Poor Tourism Development Project aimed at developing tourism facilities in the state.
- Under Budget 2018-19, the government allotted Rs 1,250 crore (US$193.08 million) for Integrated development of tourist circuits under Swadesh Darshan and Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD)
- Incredible India 2.0 campaign was launched in September 2017. The Government of India is working to achieve 1 per cent share in world's international tourist arrivals by 2020 and 2 per cent share by 2025.
- The Government has also been making serious efforts to boost investments in tourism sector. In the hotel and tourism sector, 100 per cent FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4 star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai).

Road Ahead

India'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's travel and tourism industry has the potential to expand by 2.5 per cent on the back of higher budgetary allocation and low cost healthcare facility, according to a joint study conducted by Assocham and Yes Bank.

2. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Industry has taken upward turn after a long period and the Annual Room Rent and profitability should be better as compared to previous year. The main factor for this upward turn includes 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. 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 exist in ecotourism, adventure tourism, and cruise tourism. With increasing environment awareness and consciousness among tourists and given efforts undertaken by the government and private players, the ecotourism segment is expected to record handsome growth in the coming years.

However, this is subject to unforeseen events which may reduce tourist traffic and thus the business of Hotels.

High GST structure is not conducive for the hotels industry.

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

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

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

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

<u>Sales & Other Income</u>

The Gross Revenue during the year under review was Rs. 154.12 Crores as against Rs. 150.02 Crores during previous Financial Year.

<u>Profit Before Tax</u>

Your Company has registered PBT of Rs. 5.98 Crores as against Rs. 2.01 Crores during previous Financial Year.

<u>Total Comprehensive Income/ (Loss) after Tax</u>

Your Company has registered Total Comprehensive Income after Tax of Rs. 4.39 Crores as against Rs. 1.29 Crores during previous Financial Year.

<u>Key Ratios</u>

Key financial ratios are given below:

Particulars	2017-18	2016-17
EBIDTA / Turnover (percent)	29.34	31.00
Profit After Tax / Turnover (percent)	2.85	0.86
EBIDTA / Net Interest (no. of times)	1.94	1.58
Debt to Equity	0.67	0.69
Return on Equity (percent)	1.48	0.44
Book Value per share (Rs./share)	260.01	257.36
Earnings per share (Rs./share)	3.85	1.13

During the year ended 31st March, 2018, the Company achieved a occupancy rate of 77% (in comparison to the 77% during the Financial Year 2016-17) and the Average room rate was Rs. 7,709 (in comparison to ARR at Rs. 7,748/- during the previous year).

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 31st March, 2018 was 427.

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.

ANNEXURE 5 TO THE DIRECTORS' REPORT

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 Agreement and section 149(6) of the Companies Act, 2013 for being "Independent Director".The composition of the Board of Directors as on 31st March, 2018 is as under:

S. No	Category	Name of the Director	Date of Appointment
1	Promoter and Executive	Mr. Sushil Kumar Gupta Mr. Sudhir Gupta Mr. Sandeep Gupta	04.07.2008 04.07.2008 04.07.2008
2	Independent and Non-Executive Directors	Mr. Raj Kumar Bhargava Dr. Lalit Bhasin Mr. Surendra Singh Bhandari Mr. Surinder Singh Kohli Ms. Meeta Makhan	23.12.2008 23.12.2008 23.12.2008 09.08.2014 27.03.2015
3	Non-Executive Directors	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 (as on 30.05.2018	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	538402	Yes	6	1	-	-
2.	Mr. Raj Kumar Bhargava	00016949	Independent Non-Executive	4 out of 5	0	Yes	5	1	2	4
3.	Dr. Lalit Bhasin	00001607	Independent Non-Executive	4 out of 5	0	Yes	9	0	2	4
4.	Mr. Surendra Singh Bhandari	00043525	Independent Non-Executive	5 out of 5	0	Yes	0	0	0	0
5.	Mr. Surinder Singh Kohli	00169907	Independent Non-Executive	5 out of 5	0	No	10	0	3	4

6.	Ms. Meeta Makhan	07135150	Independent Non-Executive	5 out of 5	0	Yes	3	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	5 out of 5	435691	Yes	5	0	0	0
9.	Mr. Sunil Vasant Diwakar	00089266	Non-Executive	2 out of 5	0	No	1	0	0	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 Gupta. No other director is related to any other director of the Company.

c. Meetings during the year

During the Financial Year 2017-18, the Board of Directors met 5 (Five) times on the following dates:

April to June 2017	26.05.2017 05.06.2017	**July to September 2017**	13.09.2017	**October to December 2017**	07.12.2017	**January to March 2018**	12.02.2018

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 27th March, 2018, 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

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 5	26th May, 2017; 05th June, 2017 13th September, 2017; 07th December, 2017; 12th February, 2018
Mr. Surendra Singh Bhandari	Independent - Non-Executive	5 out of 5	
Mr. Surinder Singh Kohli	Independent - Non-Executive	5 out of 5	

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

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

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	05.06.2017
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 Gupta, Executive (Wholetime) Director, as the Chairman and Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari, Independent Directors of the Company, as other members.

Brief description of Terms of Reference

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

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

All fees/ compensation paid to Executive Directors are fixed by the Board and approved by the shareholders in the 10th Annual 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 Lakhs only) per year per Non-Executive Director. However 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.

a. All pecuniary relationship or transactions of the non executive directors: None of the non executive directors has any pecuniary relationship or transaction with the Company.

b. Criteria of making payments to Non executive Directors is given in the Nomination and Remuneration policy of the Company and link of the same is www.asianhotelswest.com/policies

c. Details of remuneration paid to the Directors for the Financial Year 2017-18 are given below:

(Amount in Rs. Lakhs)

Name of the Directors	Salary including Perquisites & PF	Commission (payable)	Sitting Fees	Tenure upto	Notice period	Total
Mr. Sushil Kumar Gupta	149.98	NIL	NIL	31.10.2019	3 months	149.98
Mr. Raj Kumar Bhargava	NIL	NIL	2.60	31.03.2019	NA	2.60
Dr. Lalit Bhasin	NIL	NIL	1.20	31.03.2019	NA	1.20
Mr. Surendra Singh Bhandari	NIL	NIL	2.40	31.03.2019	NA	2.40
Mr. Sunil Diwakar	NIL	NIL	0.36	NA	NA	0.36
Mr. Surinder Singh Kohli	NIL	NIL	2.20	31.03.2019	NA	2.20
Ms. Meeta Makhan	NIL	NIL	1.40	31.03.2020	NA	1.40
Mr. Sudhir Gupta	127.44	NIL	NIL	09.05.2020	3 months	127.44
Mr. Sandeep Gupta	127.44	NIL	NIL	09.05.2020	3 months	127.44
TOTAL	**404.86**	**0**	**10.16**			**415.02**

8. **Stake holders Relationship Committee:**

a. **Composition**

Name of the Member	Position	Category	No. of Meetings attended	Dates on which Meetings held
Ms. Meeta Makhan	Chairperson	Independent - Non-Executive	1 out of 1	27.03.2018
Mr. Raj Kumar Bhargava	Member	Independent - Non-Executive	1 out of 1	
Mr. Sudhir Gupta	Member	Independent - Non-Executive	0 out of 1	

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 2017-18**

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
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
2016-17	Mapple Emerald, NH8, Rajokri, New Delhi - 110038	11.07.2017	3.00 P.M	Yes

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

No Special Resolution was passed by postal ballot during the year 2017-18.

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

11. **General Shareholder Information**

a. **Annual General Meeting:**

Day, Date & Time : July 3, 2018 at 3.00 PM

Venue : Mapple Emerald, NH-8, Rajokri, New Delhi-110038

b. **Financial Year**

1st April 2017 to 31st March, 2018

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 2017-18 to both the stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

e. **Stock Code**

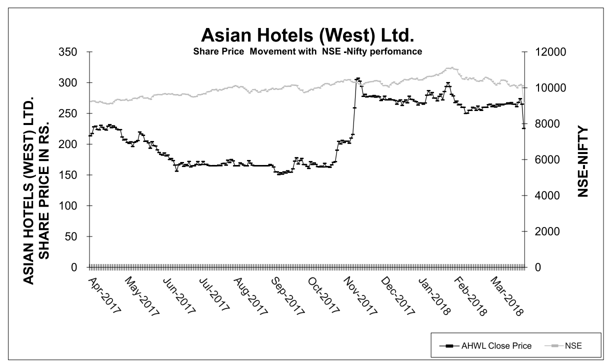
Exchange	Code
National Stock Exchange of India Limited	AHLWEST
BSE Limited	533221

f. Stock Market Price Data - high, low during each month in financial year 2017-18

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE for the period from 1st April, 2017 to 31st March, 2018 are given below:

Month	BSE			NSE		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (in Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (in Nos.)
Apr-17	239	213.5	15254	247	210	20005
May-17	227.9	187	8063	230	182	13697
Jun-17	198.95	145.05	525125	192.9	150	17776
Jul-17	188	162.4	6828	180	162.75	20216
Aug-17	179	160	74169	190	162.9	25865
Sep-17	208	147.05	41365	208.25	145.55	110220
Oct-17	211.95	158	64747	219	160.5	190312
Nov-17	332.2	200	80953	334.7	200	198196
Dec-17	298.95	252.3	4867	280	258.15	21552
Jan-18	302.05	260	25441	307	261	25449
Feb-18	279.55	246.3	7938	280.9	247.1	29424
Mar-18	282	255	12060	278.95	253.15	26024

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



g. Stock Performance in comparison to broad based indices:

	02.04.2018	31.03.2017	Change (%)
Share prices of AHWL (Rs.)(BSE)	275.40	227.00	21.32
V/s BSE Sensex	33255.36	29620.50	12.27
Share prices of AHWL (Rs.) (NSE)	267.00	223.05	19.70
V/s NSE Nifty	10211.80	9173.75	11.32

h. Share Transfer Agent

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

i. Share Transfer System

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

i) Stakeholder Relationship Committee of the Board of Directors and

ii) Executive Share Transfer Committee comprising of executives of the Company.

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

j. Distribution of shareholders

	As on 31st March, 2018				As on 31st March, 2017			
Number of equity shares held	**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	10503	96.30	610692	5.33	13255	97.11	685604	5.98
501-1000	224	2.05	160184	1.40	220	1.61	156538	1.37
1001-2000	74	0.68	101109	0.88	66	0.48	91105	0.80
2001-3000	28	0.26	67480	0.59	28	0.21	68285	0.60
3001-4000	17	0.16	58053	0.51	10	0.07	34250	0.30
4001-5000	5	0.05	24372	0.21	9	0.07	41732	0.36
5001-10000	18	0.17	121613	1.06	16	0.12	105671	0.92
10000 - above	38	0.35	10314800	90.02	45	0.33	10275118	89.67
TOTAL	**10907**	**100.00**	**11458303**	**100.00**	**13649**	**100.00**	**11458303**	**100.00**

Category wise shareholding

	As on 31st March, 2018		As on 31st March, 2017	
CATEGORY	**No. of shares held**	**% age of Shareholding**	**No. of shares held**	**% age of Shareholding**
A. Promoters Shareholding				
– Indian	2528973	22.07	2148438	18.75
– Foreign	5336880	46.58	5336880	46.58
Total Promoters shareholding	**7865853**	**68.65**	**7485318**	**65.33**
B. Public Shareholding				
– Mutual Funds/Financial Institutions/ Banks and Insurance Companies	103541	0.90	102016	0.89
– FII's	3614	0.03	2919	0.03
– NRI's	1256570	10.97	760299	6.64
– Bodies Corporate (Domestic)/IEPF/NBFC	932019	8.13	1048659	9.15
– Individuals (Indian Public)	1276874	11.14	2037193	17.78
– Trusts	0	0	278	0.00
– Clearing Members	992	0.01	2781	0.02
– Foreign Bodies	18840	0.16	18840	0.16
Total Public shareholding	**3592450**	**31.35**	3972985	34.67
GRAND TOTAL	**11458303**	**100.00**	**11458303**	**100.00**

k. Dematerialization & Liquidity of Shares

The ISIN allotted by NSDL and CDSL is INE915K01010. Total **1,11,96,173** equity shares (equivalent to **97.71** %) of the total equity shares of the company are held in dematerialized form as on 31st March, 2018. The shares are regularly traded at BSE & NSE.

l. Outstanding Convertible instruments

As of 31st March, 2018, there are no outstanding convertible instruments.

m. Plant Locations

The Company has 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 31.03.2018 (Rs.)	Due Date for transfer to IEPF *
2010-2011	1779	500036	08.09.2018
2011-2012	2005	517644	17.10.2019
2012-2013	2379	339392	05.10.2020
2013-2014	3476	293979	25.10.2021
2014-2015	3230	222889	16.10.2022
2015-2016	3740	5531562	22.07.2023
2016-2017	3701	5530373	11.07.2024

* Indicative dates, actual dates may vary.

During the Financial Year 2017-18 the Company has transferred 54,647 shares (in respect of which dividend had not been claimed for seven consecutive years) belonging to 965 shareholders of the Company, to Demat account of Investor Education Protection Fund authority, in accordance with section 124(6) of the Companies Act and the Company has also transferred Rs. 4,14,669 lying in the unpaid dividend account for the year 2009-10 belonging to 2191 shareholders to Investor Education Protection Fund, in accordance with section 124(5) of the Companies Act.

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

f. Web link for policy for dealing 'Related party transactions– www.asianhotelswest.com/policies

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

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

S.No	Particulars	No. of shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at beginning of the year.	819 number of shareholders and the outstanding shares are 63676
2.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	16
3.	Number of shareholders to whom shares were transferred from suspense account during the year.	16
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	285 number of shareholders and the outstanding shares are 34397
5.	Number of shareholders whose share were transfer to IEPF account during the year	518

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 31st March, 2018, 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

Dhawal Kant Singh
Proprietor
CP No.: 7347

Place: New Delhi
Date: 30th May, 2018

ANNEXURE 6 TO THE DIRECTORS' REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED 31ST MARCH, 2018

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	:	8th January, 2007
iii	Name of the Company	:	Asian Hotels (West) Ltd.
iv	Category	:	Company Limited by Shares
v.	Sub- Category of the Company		Indian Non-Government Company (Hospitality Industry)
vi.	Address of the registered office and contract details	:	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 Disctrict, 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 SHAREHOLDER		NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31-03-2017				NO. OF SHARES HELD AT THE END OF THE YEAR 31-03-2018				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	2148438	0	2148438	18.75	2426037	0	2426037	21.17	2.42
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	102936	0	102936	0.90	0.90
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	**2148438**	**0**	**2148438**	**18.75**	**2528973**	**0**	**2528973**	**22.07**	**3.32**

	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31-03-2017				NO. OF SHARES HELD AT THE END OF THE YEAR 31-03-2018				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	5336880	0	5336880	46.58	5336880	0	5336880	46.58	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	**5336880**	**0**	**5336880**	**46.58**	**5336880**	**0**	**5336880**	**46.58**	**0.00**
	Total A=A(1)+A(2)	**7485318**	**0**	**7485318**	**65.33**	**7865853**	**0**	**7865853**	**68.65**	**3.32**
(B)	**PUBLIC SHAREHOLDING**									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	6670	230	6900	0.06	195	230	425	0.00	-0.06
(b)	Financial Institutions / Banks	88549	6567	95116	0.83	96549	6567	103116	0.90	0.07
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	2534	385	2919	0.03	3234	380	3614	0.03	0.01
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	**97753**	**7182**	**104935**	**0.92**	**99978**	**7177**	**107155**	**0.94**	**0.02**
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	1042296	6171	1048467	9.15	871554	5626	877180	7.66	-1.49
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	700543	219127	919670	8.03	702905	184902	887807	7.75	-0.28
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1117715	0	1117715	9.75	389259	0	389259	3.40	-6.36
(c)	Others									
	CLEARING MEMBERS	2781	0	2781	0.02	992	0	992	0.01	-0.02
	FOREIGN BODIES	18840	0	18840	0.16	18840	0	18840	0.16	0.00
	I E P F	0	0	0	0.00	54647	0	54647	0.48	0.48
	NON RESIDENT INDIANS	681257	68060	749317	6.54	1179307	64425	1243732	10.85	4.31
	NRI NON-REPATRIATION	10982	0	10982	0.10	12838	0	12838	0.11	0.02
	TRUSTS	278	0	278	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	**3574692**	**293358**	**3868050**	**33.76**	**3230342**	**254953**	**3485295**	**30.42**	**-3.34**
	Total B=B(1)+B(2) :	**3672445**	**300540**	**3972985**	**34.67**	**3330320**	**262130**	**3592450**	**31.35**	**-3.32**
	Total (A+B) :	**11157763**	**300540**	**11458303**	**100.00**	**11196173**	**262130**	**11458303**	**100.00**	**0.00**
(C)	**SHARES HELD BY CUSTODIANS, AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED**									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	**11157763**	**300540**	**11458303**	**100.00**	**11196173**	**262130**	**11458303**	**100.00**	

ii) ***Shareholding of Promoters:***

S. No	Shareholding at the beginning of the year				Share holding 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	538402	4.70	Nil	1.09
4.	Sudhir Gupta	214290	1.87	Nil	214290	1.87	Nil	Nil
5.	Vinita Gupta	408926	3.57	Nil	458926	4.00	Nil	0.43
6.	Sandeep Gupta	397523	3.47	Nil	432631	3.77	Nil	0.30
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	500	0.00	Nil	68201	0.60	Nil	0.60
10.	Pankaj Gupta	55275	0.48	Nil	55275	0.48	Nil	Nil
11.	Jyotsana Amal Karl	14325	0.13	Nil	14325	0.13	Nil	Nil
12.	Sonal Sharma	16500	0.14	Nil	16500	0.14	Nil	Nil
13.	CLG Hotels and Resorts Pvt. Ltd.	0	0	Nil	102936	0.90	Nil	0.90
TOTAL		**7485318**	**65.33**	Nil	**7865853**	**68.65**	**NIL**	**3.32**

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 (01-04-2017 to 31-03-2018)	
		No of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	**% of total shares of the Company**				**No. of Shares**	**% of total shares of the Company**
	AT THE BEGINNING OF THE YEAR	**7485318**	**65.33**				**7485318**	**65.33**
	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. Sushil Gupta	**413612**	**3.61**	**01-04-2017**				
				27-10-2017	124790	Open Market Purchase	538402	4.70
		538402	**4.70**	**31.03.2018**				
2.	Mr. Sandeep Gupta	**397523**	**3.47**	**01-04-2017**		Open Market Purchase		
				07-04-2017	3120		400643	3.50
				21-07-2017	10171		410814	3.59
				28-07-2017	444		411258	3.59
				04-08-2017	672		411930	3.60
				11-08-2017	5634		417564	3.64
				18-08-2017	2975		420539	3.67
				25-08-2017	513		421052	3.67
				01-09-2017	1041		422093	3.68
				22-12-2017	30		422123	3.68
				09-03-2018	969		423092	3.69
				16-03-2018	6985		430077	3.75
				23-03-2018	1327		431404	3.76
				30-03-2018	1227		432631	3.77
		432631	**3.77**	**31-03-2018**				

S. No	Name of the Promoter	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
3.	Mrs. Vinita Gupta	**408926**	**3.57**	**01-04-2017**		Open Market Purchase		
				20-10-2017	34000		442926	3.87
				23-03-2018	16000		458926	4.00
		458926	**4.00**	**31-03-2018**				
4.	Mrs. Madhu Jain	**500**	**0.00**	**01-04-2017**				
				01-12-2017	67701	Received as gift	68201	
		68201	**0.60**	**31-03-2018**				
5.	CLG Hotels and Resorts Pvt. Ltd.	**Nil**	**Nil**	**01-04-2017**		Open Market Purchase		
				15-12-2017	359		359	0.00
				22-12-2017	1013		1372	0.01
				23-02-2018	1936		3308	0.03
				02-03-2018	6275		9583	0.08
				09-03-2018	3241		12824	0.11
				23-03-2018	89000		101824	0.89
				30-03-2018	1112		102936	0.90
		102936	**0.90**	**31-03-2018**				
	AT THE END OF THE YEAR	**7865853**	**68.65**	**31.03.2018**			**7865853**	**68.65**

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 (01-04-2017 to 31-03-2018)	
		No of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Radhe Shyam Saraf	**572071**	**4.99**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		572071	**4.99**	**31-03-2018**				
2.	Anita Rajgarhia	**571061**	**4.98**	**01-04-2017**				
				09-06-2017	-505000	Open Market Sale	66061	**0.58**
				25-08-2017	-66061		00	0
		Nil	**Nil**	**31-03-2018**				
3.	Ratna Saraf	**24100**	**0.21**	**01-04-2017**				
				09-06-2017	505000	Open Market Purchase	529100	4.62
		529100	**4.62**	**31-03-2018**				
4.	Asian Hotels (East) Limited.	**458377**	**4.00**	**01-04-2017**				
				01-09-2017	66061	Open Market Purchase	524438	4.58
		524438	**4.58**	**31-03-2018**				
5.	Makalu Trading Ltd.	**136604**	**1.19**	**01-04-2017**				
				08-09-2017	-1631	Open Market Sale	134973	1.18
				15-09-2017	-3393		131580	1.15
				19-01-2018	-131580		0	00
		Nil	**Nil**	**31-03-2018**				
6.	Mahinder Kumar Jain	**Nil**	**Nil**	**01-04-2017**				

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 (01-04-2017 to 31-03-2018)	
		No of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				23-03-2018	100000	Open Market Purchase	100000	0.87
		100000	**0.87**	**31-03-2018**				
7.	Sunil Hanskrishna Khanna	**91087**	**0.79**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		91087	**0.79**	**31-03-2018**				
8.	Ramesh Kumar Jatia	**75190**	**0.66**	**01-04-2017**				
				08-09-2017	-75190	Open Market Sale	Nil	Nil
		Nil	**Nil**	**31-03-2018**				
9.	Burmans Finvest Pvt. Ltd.	**71608**	**0.62**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		71608	**0.62**	**31-03-2018**				
10.	Dinesh Kumar Jain	**71320**	**0.62**	**01-04-2017**				
				01-12-2017	-67701	Off Market Sale	3619	0.03
		3619	**0.03**	**31-03-2018**				
11.	Asian Hotels (West) Limited –Unclaimed Suspense Account	**64676**	**0.56**	**01-04-2017**				
				12-05-2017	-120	Transfer	64556	0.56
				03-11-2017	-560	Transfer	63996	0.55
				10-11-2017	-395	Transfer	63601	0.55
				01-12-2017	-105	Transfer	63496	0.55
				08-12-2017	-28099	Transfer to IEPF account	35397	0.31
		35397	**0.31**	**31-03-2018**				
12.	Punjab National Bank	**63199**	**0.55**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		63199	**0.55**	**31-03-2018**				
13.	Rajinder Kumar Aneja	**60506**	**0.53**	**01.04.2017**	**Nil**	**Nil**	**Nil**	**Nil**
		60506	**0.53**	**31.03.2018**				

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 (01-04-2017 to 31-03-2018)	
		No of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Sushil Gupta	**413612**	**3.61**	**01-04-2017**		Open Market Purchase		
				27-10-2017	124790		538402	4.70
		538402	**4.70**	**31.03.2018**				
2.	Mr. Sandeep Gupta	**397523**	**3.47**	**01-04-2017**		Open Market Purchase		
				07-04-2017	3120		400643	3.50
				21-07-2017	10171		410814	3.59
				28-07-2017	444		411258	3.59
				04-08-2017	672		411930	3.60
				11-08-2017	5634		417564	3.64

S. No	Name of the Director/KMP	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				18-08-2017	2975		420539	3.67
				25-08-2017	513		421052	3.67
				01-09-2017	1041		422093	3.68
				22-12-2017	30		422123	3.68
				09-03-2018	969		423092	3.69
				16-03-2018	6985		430077	3.75
				23-03-2018	1327		431404	3.76
				30-03-2018	1227		432631	3.78
		432631	**3.78**	**31-03-2018**				
3.	Mr. Sudhir Gupta	**214290**	**1.87**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		214290	**1.87**	**31-03-2018**				
4.	Dr. Lalit Bhasin	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				
5.	Mr. Raj Kumar Bhargava	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
				31-03-2018				
6	Mr. Surendra Singh Bhandari	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				
7.	Mr. Sunil Vasant Diwakar	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				
8.	Mr. Surinder Singh Kohli	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				
9.	Mrs. Meeta Makhan	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				
10.	Mr. Rakesh Kumar Aggarwal	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				
11.	Mr. Vivek Jain	**Nil**	**Nil**	**01-04-2017**	**Nil**	**N.A**	**Nil**	**Nil**
		Nil	**Nil**	**31-03-2018**				

V. *INDEBTEDNESS*

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
a) **Principal Amount**	2,018,669,938	Nil	Nil	2,018,669,938
b) **Interest due but not paid**	Nil	Nil	Nil	Nil
c) **Interest accrued but not due**	19,196,195	Nil	Nil	19,196,195
Total (i+ii+iii)	**2,037,866,133**	**Nil**	**Nil**	**2,037,866,133**
Change in Indebtedness during the financial year				
Addition	0	Nil	Nil	0
Reduction	-36,549,938	Nil	Nil	-36,549,938
Net Change	**-36,549,938**	**Nil**	**Nil**	**-36,549,938**

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
a) **Principal Amount**	1,982,120,019	Nil	Nil	1,982,120,019
b) **Interest due but not paid**	Nil	Nil	Nil	Nil
c) **Interest accrued but not due**	17,608,101	Nil	Nil	17,608,101
Total (i+ii+iii)	**1,999,728,120**	Nil	**Nil**	**1,999,728,120**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs. lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Sushil Kumar Gupta, CMD	Mr. Sudhir Gupta, WTD	Mr. Sandeep Gupta, WTD	
1	**Gross Salary**				
	a) Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961	149.59	127.04	127.04	403.67
	b) Value of perquisites u/s 17 (2) Income –tax Act, 1961	0.39	0.39	0.39	1.17
	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 - As % of profit - Other, specify…	Nil	Nil	Nil	Nil
5	Other, please specify	Nil	Nil	Nil	Nil
	Total (A)	**149.98**	**127.43**	**127.43**	**404.84**
	Ceiling as per the Act				**720.00**

b. Remuneration to other directors: (Amount in Rs. lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
1	**Independent Directors**	**Mr. Raj Kumar Bhargava**	**Dr. Lalit Bhasin**	**Mr. Surendra Singh Bhandari**	**Mr. Surinder Singh Kohli**	**Mrs . Meeta Makhan**	
	a) Fee for attending board committee meetings	2.60	1.20	2.40	2.20	1.40	9.80
	b) Commission	Nil	Nil	Nil	Nil	Nil	Nil
	c) Others, please specify-conveyance	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	**2.60**	**1.20**	**2.40**	**2.20**	**1.40**	**9.80**
2.	**Other Non-Executive Directors**	**Mr. Sunil Diwakar**					
	a) Fees for attending board committee meetings	0.36	Nil	Nil	Nil	Nil	0.36
	b) Commission	Nil	Nil	Nil	Nil	Nil	Nil
	c) Other, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	**0.36**	**Nil**	**Nil**	**Nil**	**Nil**	**0.36**
	Total (B) =(1 + 2)						**10.16**
	Total Managerial Remuneration (a+b)						**415.00**
	Overall Ceiling as per the Act*						**720.00**

****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. lakhs)

Sl. No.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
1.	**Gross Salary**		**Mr. Vivek Jain**	**Mr. Rakesh Kumar Aggarwal**	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act. 1961	N.A	30.93	55.19	86.12
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	N.A	Nil	0.40	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		1.55	3.27	4.82
	Total		**32.48**	**58.86**	**91.34**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ Punishment/ Compounding of offences for the year ending 31st March, 2018

ANNEXURE 7 TO THE DIRECTORS' REPORT

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2018

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, 2018, 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, 2018, 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 to the Company 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;

  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 to the Company 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 to the Company during the period of audit)*;

  g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(not applicable to the Company during the period of audit)*; **and**

  i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(not applicable to the Company 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. Food Safety and Standard Act, 2006 and Rules/ Regulations

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India 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 except that *Mr. Sandeep Gupta, Whole Time Director of the Company is also continuing to hold the office of whole time KMP (i.e. Managing Director) in other Company (Eden Park Hotels Private Limited), in view of the order dated 29th March, 2017 of the Hon'ble National Company Law Board, Principal Bench, New Delhi. Consequently, Mr. Sandeep Gupta cannot vacate the office of MD in that Other Company to comply with Section 203 of the Companies Act, 2013, till the subsistence of the said order.*

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 had no specific events/actions that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For PI & Associates,
Company Secretaries

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

Date: May 30, 2018
Place: New Delhi

"Annexure A"

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

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

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

For PI & Associates,
Company Secretaries

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

Date: May 30, 2018
Place: New Delhi

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 31,2018 (Not Applicable)

B. Details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2018 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 (in Rs.)
1	Aria Hotels and Consultancy Services Pvt Ltd. (Subsidiary of the Company)	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.	71,98,170
		Refund of Security Deposit from Aria	One Time Transaction	Refund of Security Deposit from ARIA	18,24,320
2	M/s Bhasin & Company (firm owned by Independent Director)	Professional services	Monthly Transaction	Professional Fee / Re-imbursement of expenses for advise on legal matter/ appearance fee / re-imbursement of expenses etc. for various legal matters.	1,80,000
3	Ms. Sukriti Gupta (relative of Whole-Time Director)	Professional services	Monthly Transaction	Consultancy Fees	6,00,000
4	Mr. Sidharth Aggarwal (relative of KMP)	Professional services	Monthly Transaction	Professional Fee / Re-imbursement of expenses for advise on legal matter/ appearance fee / re-imbursement of expenses etc. for various legal matters.	4,95,370

Note:

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

Details of all Related Party Transactions are given in note no 33 of the Financial Statement for the Financial Year ended March 31, 2018

ANNEXURE 9 TO THE DIRECTORS' REPORT

PARTICULARS AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

S. NO.	ENERGY CONSERVATION MEASURE TAKEN DURING THE YEAR 2017-18	IMPACT (SAVINGS IN RS. LAC PER ANNUM)
1	Replacement of Condenser water pumps.	6.10
2	Energy efficient AHU Replacement (Fans & Coil).	3.50
3	CFL to LED in guest rooms (Bedside and pedestal lamps).	3.00
4	Halogen to Led (Pillar lamps).	1.30
	Total savings	**13.90**

S. NO.	STEPS TAKEN FOR PROCURING CHEAPER POWER THROUGH ALTERNATE SOURCE DURING THE YEAR 2017-18	IMPACT (SAVINGS IN RS. LAC PER ANNUM)
1	The Company has actively negotiated and enters into a Power Purchase Agreement under Open Access Scheme to buy cheaper power	261.11
	Total savings	**261.11**

S. NO.	ADDITIONAL INVESTMENT – PROPOSAL FOR THE YEAR 2018-19	IMPACT (SAVINGS IN RS. LAC PER ANNUM)
1	Demand flow management in HVAC system.	41.00
2	Fluorescent tube to LED (Coffer lights).	7.00
3	Energy efficient AHU Replacement (Fans & Coil).	4.00
4	Halogen to LED (Door spot lamp in guest rooms).	3.30
	Total savings	**55.30**

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 lakhs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Foreign Exchange earnings (**on receipt basis**)	7135.62	6658.02
Foreign Exchange outgo **(on payment basis)**	1198.92	1562.53

ANNEXURE 10 TO THE DIRECTORS' REPORT

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 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 530.13**)** Lakhs.

4.	**PRESCRIBED CSR EXPENDITURE (2 % OF THE AMOUNT AS IN ITEM 3 ABOVE)**	**: NIL**
	Add: unspent amount on CSR activities in the previous FY (2016-17)	: Rs. 5.70 Lakhs
	Total Amount to be spent on CSR activities in the FY 2017-18	: **Rs. 5.70 Lakhs**
5.	**DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR**.	
a)	Total amount spent for the financial year	: Rs.11.10 Lakhs/-
b)	Amount unspent if any	: NIL

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

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 WAS UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROGRAM WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUBHEADS: (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAMS. (2) OVERHEADS: (Rs. LAKHS)	CUMULATIVE EXPENDITURE UPTO TO THE REPORTING PERIOD (Rs. LAKHS)	AMOUNT SPENT: DIRECT OR THROUGH IMPLEMENTING AGENCY
1.	Watershed Development programme	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of said and water.	Yavatmal District of Vidharbha Region of Maharashtra	5.00	5.00	11.10	Direct
2.	Welfare of the people belonging to Scheduled Castes and other backward communities	Education	Harijan Sewak Sangh Kasturba Balika Vidyalaya, Ishwar Nagar, New Delhi-110025	2.50	2.50	2.50	Direct
3.	Education expenses of 24 girls Students studying in Him Jyoti School, Dehradun for the financial year 2017-18	Education	Him Jyoti Campus, Sahastradhara Road, Dehradun -248 013 (Uttarakhand)	3.60	3.60	6.10	Direct
	TOTAL				**11.10**	**11.10**	

During the Financial Year, the provisions of section 135(5) of Companies Act, 2013 doesn't apply on the Company. However, the Company has spent Rs. 11.10 Lakhs (including unspent amount of pervious year of Rs. 5.70 Lakhs) on CSR activities as per the CSR policy of the Company.

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 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.

For Asian Hotels (West) Limited

Sushil Kumar Gupta
Chairman & Managing Director
DIN (00006165)

Place : New Delhi
Date : May 30, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Asian Hotels (West) Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Asian Hotels (West) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 26, 2017 and May 24, 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) 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 litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 B to the standalone Ind AS financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

per Atul Seksaria
Partner
Membership Number: 086370

Place of Signature: New Delhi
Date: May 30, 2018

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date
Re: Asian Hotels (West) Limited (the Company)

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company. As explained to us, the title deeds of land have been given as security (mortgage and charge) against the term loan taken from banks and therefore the same could not be made available to us for verification.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) a) The Company has granted interest free unsecured loan to its subsidiary company (i.e. Aria Hotels and Consultancy Services Private Limited where it has substantial interest) covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan are not prima facie prejudicial to the Company's interest.

b) The Company has granted loans that are re-payable on demand to its subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the subsidiary company to whom the money has been lent.

c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	87.13	FY 2011-12	Joint Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	55.40	FY 2012-13	Joint Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	12.22	FY 2013-14	Deputy Commissioner of Sales Tax
Finance Act, 1994	Denial of Cenvat Credit due to incorrect classification.	515.51	FY 2007-08 to 2011-12	Commissioner of Service Tax, Mumbai -1
Finance Act, 1994	Demand for Refund of service tax	55.56	September 2002 to September 2006	Commissioner (Appeal)-II Mumbai
The Custom Act, 1962 (Foreign Trade Policy 2009-2014)	Denial of duty credit entitlement under the SFIS Scheme	1200.21	FY 2009-10 to 2015-16	Hon'ble High Court of Delhi

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

(ix) According to the information and explanations given by the management, the Company has not raised any money way of intial public offer/further public offer/debt instruments. Further, in our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loan for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Atul Seksaria
Partner
Membership Number: 086370

Place: New Delhi
Date: May 30, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ASIAN HOTELS (WEST) LIMITED.

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

We have audited the internal financial controls over financial reporting of Asian Hotels (West) Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Atul Seksaria
Partner
Membership Number: 086370

Place of Signature: New Delhi
Date: May 30, 2018

BALANCE SHEET AS AT 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

	Notes	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	**23,851.05**	24,442.01	24,318.10
(b) Capital work-in-progress	3	**205.55**	804.09	913.43
(c) Financial Assets				
(i) Investments	4	**23,216.20**	22,347.40	21,478.60
(ii) others	5	**131.98**	125.06	109.67
(d) Other non-current assets	9(A)	**3,584.77**	3,753.86	2,808.67
(e) Non Current Tax Assets (Net)	10	**68.19**	273.20	490.75
(2) Current assets				
(a) Inventories	11	**256.53**	331.59	315.00
(b) Financial Assets				
(i) Investments	4	**826.85**	4.84	3.19
(ii) Trade Receivables	6	**931.36**	703.64	473.29
(iii) Cash and cash equivalents	7	**43.19**	309.14	309.08
(iv) Bank balances other than (iii) above	7	**250.09**	79.38	24.14
(v) Loans	8	**1,500.84**	1,571.94	26.14
(c) Other current assets	9(A)	**1,092.83**	979.06	989.25
(d) Fixed Assets held for sale	9(B)	**11.48**	–	–
Total Assets		**55,970.91**	55,725.21	52,259.31
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	12	**1,145.83**	1,145.83	1,145.83
(b) Other Equity	13	**28,500.22**	28,197.76	28,206.44
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	**19,759.13**	20,121.20	15,378.18
(ii) Others	16	**180.68**	186.81	171.77
(b) Provisions	17	**379.31**	358.44	285.51
(c) Deferred tax liabilities (Net)	19	**3,202.47**	3,208.73	3,195.93
(d) Other non current liabilities	18	**75.33**	39.67	57.81
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	**161.62**	403.90	183.55
(ii) Trade Payables	20	**431.89**	528.79	580.89
(iii) Others	16	**1,188.67**	974.12	2,451.70
(b) Other current liabilities	18	**742.42**	379.18	454.85
(c) Provisions	17	**203.34**	180.78	146.85
Total Equity and Liabilities		**55,970.91**	55,725.21	52,259.31
Summary of corporate information and significant accounting policies	1 & 2			

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

		Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
I	**Revenue From Operations**	21	14,033.25	13,571.34
II	**Other Income**	22	1,378.25	1,430.95
III	**Total Income (I+II)**		15,411.50	15,002.29
IV	**EXPENSES**			
	Consumption of provisions, beverages, smokes and others	23	1,324.05	1,244.40
	Employee Benefit Expenses	24	3,198.49	3,000.48
	Finance Cost	25	2,328.77	2,935.88
	Depreciation and amortization expense	26	1,594.60	1,513.75
	Other Expenses	27	6,367.78	6,106.20
	Total expenses (IV)		14,813.69	14,800.71
V	**Profit/(loss) before tax (III-IV)**		597.81	201.58
VI	**Tax expense:**	19		
	(1) Current tax		216.92	34.32
	(2) Minimum Alternate Tax Credit Entitlement		(28.25)	
	(3) Eariler year tax adjustment		4.46	(0.66)
	(4) Deferred tax (credit)/ charge		(15.64)	21.36
VII	**Profit/(loss) for the period (V- VI)**		420.32	146.56
VIII	**Other Comprehensive Income/(Loss)**		19.01	(17.34)
	A (i) Items that will not be reclassified to profit or loss			
	-Re-measurement gains/ (losses) on defined benefit plans		28.40	(25.91)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(9.39)	8.57
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
IX	**Total Comprehensive Income for the period (VII+VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		439.33	129.22
X	**Earnings / (Loss) per share:**	28		
	– Basic, computed on the basis of profit attributable to equity holders of the parent (Face Value of Rs 10/- per share)		3.83	1.13
	– Diluted, computed on the basis of profit attributable to equity holders of the parent (Face Value of Rs 10/- per share)		3.83	1.13

Summary of corporate information and significant accounting policies **1 & 2**

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	Year Ended 31 March'2018	Year Ended 31 March'2017
Cash flow from operating activity		
Net profit before tax (I)	**597.81**	201.59
Adjustment for:		
Depreciation & Amortisation	**1,594.60**	1,513.75
(Profit)/Loss on sale of fixed assets	**68.09**	3.38
Dividend Income on Investment	**22.75**	(0.07)
OCI impact of Acturial Gain/(Loss) on defined benefit obligations	**28.40**	(25.91)
Finance Income (including fair value change adjustments)	**(856.14)**	(897.26)
Finance Costs (including fair value change adjustments)	**2,412.15**	2,889.73
Expenses capitalised on account of recognition of EPCG grant	**1.98**	-
Total (II)	**3,271.83**	3,483.61
Operating profit before working capital charges (I+II)	**3,869.64**	3,685.20
Adjustments for:		
(Increase)/Decrease in inventories	**75.06**	(16.59)
(Increase)/Decrease in trade receivables	**(168.55)**	(278.38)
(Increase)/Decrease in financial assets and other assets	**185.45**	(2,183.81)
Increase/(Decrease) in trade payables	**(96.90)**	(52.10)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	**406.86**	(484.84)
	401.92	(3,015.72)
Cash generated from operations	**4,271.56**	669.48
Direct taxes paid (Net)	**(139.18)**	(153.49)
Net cash from Operating Activities (A)	**4,132.38**	515.99
Cash flow from investing activity		
Purchase of property, plant and equipment	**(1,119.93)**	(1,617.79)
Sale of property, plant and equipment	**693.68**	86.09
Purchase of Mutual Funds	**(822.68)**	-
Investment in shares	**0.67**	(1.65)
Dividend income on investment	**(22.75)**	0.07
Net Cash used in Investing Activities (B)	**(1,271.01)**	(1,533.28)
Cash flow from financing activity		
Repayment of borrowings	**(607.78)**	(16,059.63)
Proceeds of borrowings	**-**	19,890.03
Interest paid	**(2,348.83)**	(2,757.80)
Net Cash from Financing activities [C]	**(2,956.61)**	1,072.60
Net Increase/ (Decrease) in Cash Equivalent [A+B+C]	**(95.24)**	**55.30**
Cash and Cash equivalent (Beginning of the year)	**388.52**	333.22
Cash and Cash equivalent (End of the year)	**293.28**	388.52
	293.28	**388.52**
Components of cash and cash equivalents as at		
Balances with banks in current accounts	**28.62**	256.73
Cash on hand	**5.13**	6.66
Cheques in hand	**9.44**	45.75
Dividend accounts	**250.09**	79.38
	293.28	**388.52**

Amendments to IND AS 7 Statement of Cash Flows

The amendments requires company to provide disclosure of changes in their liabilities arising from financing activities, including changes arising from both cash flows and non cash changes. The amendments are effective for annual periods beginning on or after 01 April 2017. Therefore the company has not provided comparative information of preceeding period.

Particulars	Gross Additions	Cash Flows	Non cash change on account of EPCG
Acquisition of Property, plant and equipment	1,140.52	1,119.93	20.59
	1,140.52	1,119.93	20.59

There has been no changes in Financing activities on account of non cash transactions during the year

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

A. Equity share capital:

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

	Equity Shares	
	No. In lakhs	INR lakhs
At 1 April 2016	**114.58**	**1,145.83**
Increase/(decrease) during the year	-	-
At 31 March 2017	**114.58**	**1,145.83**
Increase/(decrease) during the year	-	-
At 31 March 2018	**114.58**	**1,145.83**

B. Other equity

For the year ended 31 March 2017 and 31 March 2018:

Particluars	Reserves and Surplus					Items of Other Comprehensive Income (OCI)	Total
	Capital reserve	Capital redemption reserve	Securities Premium	General reserve	Surplus in P&L	Employee benefits	
Balance as at 1 April 2016	1.41	990.00	144.36	15,653.24	11,423.18	(5.75)	28,206.44
Add/ (Less):							
Dividends (including tax on dividend)	-	-	-	-	(137.90)	-	(137.90)
Total Comprehensive Income / (loss) for the year 2016-17	-	-	-	-	146.56	(17.34)	129.21
Balance at the 31 March 2017 as per Ind AS	1.41	990.00	144.36	15,653.24	11,431.83	(23.09)	28,197.76
Add/ (Less):							
Dividends	-	-	-	-	(136.87)	-	(136.87)
Total Comprehensive Income / (loss) for the year	-	-	-	-	420.32	19.01	439.33
Balance at the 31 March 2018	**1.41**	**990.00**	**144.36**	**15,653.24**	**11,715.29**	**(4.08)**	**28,500.22**

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Notes to the Financial Statements for the year ended 31 March 2018

1. Corporate information

These financial statements comprise financial statements of Asian Hotels (West) Limited (the “Company”) for the year ended 31 March 2018. The Company was incorporated as Chillwinds Hotels Private Limited on January 8, 2007 under the provisions of Companies Act, 1956. The Company had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Company. The name of the Company was changed to Asian Hotels (West) Limited w.e.f February 12, 2010.

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

2. Significant accounting policies

2.1 Basis of preparation

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

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first the Company has prepared in accordance with Ind AS. Refer to Note 44 for information on how the Company adopted Ind AS.

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

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

2.2 Summary of significant accounting policies

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b. Foreign currencies

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

Transactions and balances

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

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

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

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

c. Fair value measurement

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

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

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

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

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

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

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

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

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

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

a) Disclosures for valuation methods, significant estimates and assumptions (Note 29)

b) Quantitative disclosures of fair value measurement hierarchy (Note 35)

c) Financial instruments (including those carried at amortised cost) (Note 34)

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Service tax, luxury tax, Sales tax/ value added tax (VAT), Goods and Service Tax (GST) and other applicable taxes on behalf of the Company is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

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

Rooms, food, beverages, banquet and other services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Sale of food and beverages are recognized at the point of serving these items to the guests. Revenue from other services is recognized as and when services are rendered. The company collects service tax, value added tax (VAT), luxury tax and GST on behalf of guests, and therefore, these are not economic benefits flowing to the company, hence, these are excluded from revenue. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Income from hiring of vehicles

Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

Interest income

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividends

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

e. Government grants

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

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

f. Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

g. Property, plant and equipment

Recognition and Measurement

The Company has elected to continue with the carrying value for all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind-AS and use the same as its deemed cost as at the date of transition.

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

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

Loss within other income.

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

Depreciation

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

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

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

h. Borrowing costs

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

i. Leases

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

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

Company as a lessee

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

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

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

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

Company as a lessor

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

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

j. Inventories

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

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

k. Impairment of non-financial assets

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

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

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

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

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

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

l. Provisions and contingent liabilities

General

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

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

Contingent liabilities

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

m. Retirement and other employee benefits

Defined Contribution

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

Defined Benefits

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

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

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

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

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

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

Other long term employees benefits

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

n. Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instrument at FVTPL

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

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

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Derecognition

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

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

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as ‘contractual revenue receivables’ in these illustrative financial statements)

e) Loan commitments which are not measured as at FVTPL

f) Financial guarantee contracts which are not measured as at FVTPL

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

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

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

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

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount"

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Financial liabilities at amortised costs

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

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

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

Financial guarantee contracts

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

De-recognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

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

Offsetting of financial instruments

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

o. Cash and cash equivalents

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

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

p. Cash dividend to equity holders

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

q. Earning per share

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

3. Fixed Assets

Particulars	Land - freehold	Buildings	Furniture, fixture & furnishings	Plant & Machinery	Vehicles	Total Tangible assets	Capital work in Progress *
Cost or valuation							
Deemed cost as at April 1, 2016*	9,319.24	11,533.47	270.66	2,933.01	261.71	24,318.10	913.43
Additions	365.57	612.01	44.13	645.50	59.93	1,727.13	-
Sales /Adjustment /Transfer	-	-	(0.26)	(14.86)	(91.00)	(106.11)	(109.34)
As at 31 March 2017	**9,684.81**	**12,145.48**	**314.53**	**3,563.66**	**230.64**	**25,939.12**	**804.09**
Additions			28.31	1,087.68	24.52	1,140.52	205.55
Sales /Adjustment /Transfer		(45.46)	(0.16)	(76.03)	(68.80)	(190.45)	(804.09)
As at 31 March 2018	**9,684.81**	**12,100.02**	**342.67**	**4,575.31**	**186.37**	**26,889.18**	**205.55**
Depreciation							
As at 01 April 2016	-	-	-	-	-	-	-
Charge for the year	-	404.37	31.68	1,014.92	62.77	1,513.75	-
Sales /Adjustment /Transfer	-	-	-	(2.18)	(14.46)	(16.64)	-
As at 31 March 2017	-	404.37	31.68	1,012.74	48.32	1,497.11	-
Charge for the year		421.41	35.81	1,097.20	40.18	1,594.60	-
Sales /Adjustment /Transfer	-	(4.82)	-	(26.17)	(22.58)	(53.57)	-
As at 31 March 2018	-	820.96	67.49	2,083.77	65.91	3,038.14	-
Net Block:							
As at 31 March 2018	**9,684.81**	**11,279.06**	**275.18**	**2,491.54**	**120.45**	**23,851.05**	**205.55**
As at 31 March 2017	**9,684.81**	**11,741.11**	**282.85**	**2,550.92**	**182.32**	**24,442.01**	**804.09**
As at 01 April 2016	**9,319.24**	**11,533.47**	**270.66**	**2,933.01**	**261.71**	**24,318.10**	**913.43**

*The Company has availed the deemed cost exemption and used the previous GAAP carrying amount of property, plant and equipment as deemed cost. The gross block and accumulated depreciation of such items of property, plant and equipment as on April 1, 2016 are as under:

Particulars	Gross Block	Accumulated Depreciation	Net Block
Land - freehold	9,319.24	-	9,319.24
Buildings	14,732.47	3,199.00	11,533.47
Furniture, fixture & furnishings	2,681.88	2,411.22	270.66
Plant & Machinery	9,581.53	6,648.52	2,933.01
Vehicles	654.52	392.81	261.71
	36,969.64	**12,651.55**	**24,318.10**

Assets charged against borrowings -Refer Borrowing Note no. 15

***Capital Work in Progress**

Capital work in progress as at 31 March 2018 comprises expenditure for the renovation of Banquet hall and Air Handling unit. Total amount of CWIP is Rs. 205.55 lakhs (31 March 2017: Rs.804.09 lakhs, 1 April 2016: Rs. 913.43 lakhs).

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

4. Financial assets

(A) Investments

Particulars	Current			Non Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Investments at cost:						
Unquoted preference shares:						
– Investment in compulsorily convertible preference shares (CCPS) of Aria Hotels & Consultancy Services Private Limited of Rs. 10 each*	**-**	-	-	**-**	-	1,004.00
Unquoted equity shares:						
– Investment in equity shares of subsidiary company Aria Hotels & Consultancy Services Private Limited of Rs. 10 each#	**-**	-	-	**12,501.00**	12,501.00	11,497.00
Investments at fair value through profit and loss (FVTPL):						
Unquoted preference shares:						
– Investment in optionally convertible preference shares (OCPS) of Aria Hotels & Consultancy Services Private Limited of Rs. 10 each**	**-**	-	-	**10,715.20**	9,846.40	8,977.60
Investment in Mutual funds	**822.68**	-	-	**-**	-	-
Quoted equity shares:						
– Investment in quoted equity shares as held for trading	**4.17**	4.84	3.19	**-**	-	-
Total investments	**826.85**	4.84	3.19	**23,216.20**	22,347.40	21,478.60
Aggregate book value of unquoted investments	**-**	-	-	**23,216.20**	22,347.40	21,478.60
Aggregate market value of unquoted investments	**-**	-	-	**23,216.20**	22,347.40	21,478.60
Aggregate value of quoted investments	**826.85**	4.84	3.19	**-**	-	-
Aggregate amount of impairment in value of investments	**-**	-	-	**-**	-	-

*<u>**Investments at cost**</u>**:**

The Company invested in 3,861,538 compulsorily convertible preference shares (CCPS) of Rs. 10 each issued by its subsidiary company Aria Hotels and Consultancy Services Private LImited. During the financial year 2016-2017, these CCPS held by the Company were converted into 3,861,538 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).

**** <u>Investments at fair value through profit and loss (FVTPL)</u>:**

- The Company invested in 24,133,333 unquoted optionally convertible preference shares (OCPS) of Rs. 10 each of Aria Hotels & Consultancy Services Private Limited (i.e. the issuer) with tenure of 7 years and is convertible on maturity of the instrument at the option of the Company (i.e. Holder) in the ratio of 1:1 at face value of the share. The Company also has an option for redemption of OCPS on maturity of the instrument at 12% premium p.a. Further, the issuer has a call option that can be exercised from the 5th year till the date of maturity at 12% premium p.a. on issue price with the approval of IL&FS group till the time IL&FS group holds investment in the Company. The preference shares carry a coupon of 0% per annum.
- The Company has investment in quoted equity shares recorded at their fair values.

 # <u>Investments at cost / fair valuation</u>:

The Company has investment in 63,471,538 (2017: 63,471,538 shares and 2016: 59.610,000 shares) of its subsidiary company Aria Hotels & Consultancy Services Private Limited. The Company has taken deemed cost exemption on transistion to Ind AS as at 01 April 2016. For details, refer Note 30.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

5. Financial assets- Others (Unsecured considered good unless otherwise stated)

Particulars	Non - Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial assets classified at amortised cost			
Security deposits	131.98	125.06	109.67
Total others	**131.98**	**125.06**	**109.67**

6. Trade receivables (Unsecured considered good unless otherwise stated)

Particulars	Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial assets classified at amortised cost			
- Trade Receivables	931.36	703.64	473.29
Total trade receivables	**931.36**	**703.64**	**473.29**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

7. Cash and bank balances (Unsecured considered good unless otherwise stated)

Particulars	Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
(a) Cash and cash equivalents			
Balances with banks in current accounts	28.62	256.73	274.75
Cash on hand	5.13	6.66	6.58
Cheques in hand	9.44	45.75	27.75
Total (a)	43.19	309.14	309.08
(b) Other bank balances			
Dividend accounts	250.09	79.38	24.14
Total (b)	250.09	79.38	24.14
Total cash and bank balances	**293.28**	**388.52**	**333.22**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Cash and bank balances:			
Balances with banks in current accounts	28.62	256.73	274.75
Cash on hand	5.13	6.66	6.58
Cheques in hand	9.44	45.75	27.75
Other bank balances			
Dividend accounts	250.09	79.38	24.14
	293.28	**388.52**	**333.22**

8. Financial Assets- Loans (Unsecured considered good unless otherwise stated)

Particulars	Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial assets classified at amortised cost			
Unbilled revenue	-	70.67	22.64
Loan to subsidiary	1,500.00	1,500.00	-
Loans to employees	0.84	1.27	3.50
Total financial assets- Loans	**1,500.84**	**1,571.94**	**26.14**

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Break up of financial assets carried at amortised cost:

Particulars	Current			Non - Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Trade receivables	931.36	703.64	473.29	-	-	-
Cash and cash equivalents	293.28	388.52	333.22	-	-	-
Financial assets- Others	-	-	-	131.98	125.06	109.67
Financial assets- Loans	1,500.84	1,571.94	26.14	-	-	-
	2,725.48	**2,664.10**	**832.65**	**131.98**	**125.06**	**109.67**

9 (A) Other assets

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Capital advances	-	-	-	69.01	20.89	-
Advance to suppliers/contractors	-	-	-	159.28	187.20	57.21
Balances with statutory authorities	-	-	-	429.81	75.38	116.91
Prepaid expenses	942.86	1,028.57	-	241.41	230.67	136.40
Deferred lease expense on security deposit paid	2,641.91	2,725.29	2,808.67	83.38	83.38	83.38
Deferred Income Grant SEIS	-	-	-	-	-	-
Other advances	-	-	-	109.94	381.54	595.35
Total other assets	**3,584.77**	**3,753.86**	**2,808.67**	**1,092.83**	**979.06**	**989.25**

9 (B) Fixed Assets Held for Sale

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Fixed Assets (Computers, Televisions) held for sale (at net book value or estimated net realisable value, whichever is lower)	**11.48**	-	-
Total fixed assets held for sale	**11.48**	-	-

During the year, the Company entered into agreement to sell the computers and televisions as these were not in active use. Accordingly, these assets has been classified as 'held for sale'. Sale of these assets are expected to be completed within next 12 months.

10. Non Current Tax Assets (Net)

Particulars	Non-current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Advance tax (net of provision)	**39.94**	273.20	490.75
MAT Credit Entitlement	**28.25**	-	-
Total non current tax assets (net)	**68.19**	273.20	490.75

11. Inventories

(Valued at lower of cost and net realizable value)

Particulars	Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Wines & liquor	**137.46**	130.09	113.56
Provisions, other beverages and smokes	**19.17**	20.48	23.81
Crockery, cutlery, silverware, linen etc.	**67.32**	127.49	122.54
General stores and spares	**32.58**	53.53	55.09
Total inventories	**256.53**	331.59	315.00

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

12. Equity share capital

(A) Authorised share capital:

Particulars	Equity shares		Preference shares	
	No. In Lakhs	INR Lakhs	No. In Lakhs	INR Lakhs
As at 01 April 2016	140.00	1,400.00	110.00	1,100.00
Increase / (Decrease) during the year	-	-	-	-
As at 31 March 2017	140.00	1,400.00	110.00	1,100.00
Increase / (Decrease) during the year	-	-	-	-
As at 31 March 2018	**140.00**	**1,400.00**	**110.00**	**1,100.00**

(B) Terms / rights attached to each class of shares:

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

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

Subject to the provisions of the Investment Agreement entered into between the Company, it's subsidiary Aria Hotels & Consultancy Services Private Limited (Aria) & the IL&FS Group (i.e. Investors), statutory and other approvals, if any, the Company and its subsidiary Aria had to provide the investor IL&FS Group, an 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.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

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

(C) Issued equity capital

Particulars	No. in lakhs	INR lakhs
Equity shares of INR 10 each issued, subscribed and fully paid: *		
At 1 April 2016	114.58	1,145.83
Changes during the period	-	-
At 31 March 2017	114.58	1,145.83
Changes during the period	-	-
At 31 March 2018	114.58	1,145.83

* 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.

(D) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2018		As at 31 March 2017	
	No. In lakhs	% of holding	No. In lakhs	% of holding
Equity shares of Rs 10 each fully paid up				
D.S.O. Limited	**53,36,880.00**	**46.58%**	53,36,880.00	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.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

13. Other Equity

Particulars		**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
(A)	**Capital reserve***			
	Opening balance	**1.41**	1.41	1.41
	Add: Transferred from statement of profit & loss	**-**	-	-
	Closing balance	**1.41**	1.41	1.41
(B)	**Capital redemption reserve***			
	Opening balance	**990.00**	990.00	990.00
	Add: Transferred from statement of profit & loss	**-**	-	-
	Closing balance	**990.00**	990.00	990.00
(C)	**Securities premium reserve***			
	Opening balance	**144.36**	144.36	144.36
	Add : Received during the year	**-**	-	-
	Less: received during the year	**-**	-	-
	Closing balance	**144.36**	144.36	144.36
(D)	**General reserve***			
	Opening balance	**15,653.24**	15,653.24	15,653.24
	Add: Transferred from statement of profit & loss	**-**	-	-
	Closing balance	**15,653.24**	15,653.24	15,653.24
(E)	**Surplus/ (deficit) in the statement of profit and loss**			
	Opening balance	**11,431.84**	11,423.20	11,810.41
	Add: Transfer from debenture redemption reserve	**-**	-	-
	Less: Depreciation on account of change in useful lifes of assets as per Companies Act 2013	**-**	-	-
	Less: Deferred tax related to depreciation charged	**-**	-	-
	Add: Profit/(Loss) for the year	**420.32**	146.56	(387.23)
	Amount available for appropriation	**11,852.16**	11,569.75	11,423.18
	Less: Appropriations			
	Transfer to general reserve	**-**	-	(137.91)
	Dividend Paid	**(114.58)**	-	
	Proposed dividend on equity shares	**-**	(114.58)	114.58
	Dividend distribution tax	**(22.29)**	(23.33)	23.33
	Closing balance	**11715.30**	11431.84	11423.18
(F)	**Other reserve - Other comprehensive income**			
	Opening balance	**(23.09)**	(5.75)	-
	Add: Transferred from statement of profit & loss	**19.01**	(17.35)	(5.75)
	Less: Transferred to statement of profit & loss	**-**	-	-
	Closing balance	**(4.08)**	(23.09)	(5.75)
	Total other equity	**28,500.22**	28,197.76	28,206.44

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

14. Distribution made and proposed

Particulars	As at 31 March 2018	As at 31 March 2017
Cash dividends on equity shares declared and paid:		
– Final dividend for the year ended on 31 March 2017: INR 1 per share (31 March 2016: INR 1per share)	**(114.58)**	114.58
– DDT on final dividend	**(22.29)**	23.33
	(136.87)	137.91
Proposed dividends on Equity shares: *		
– Final dividend for the year ended on 31 March 2017: Re.1 per share (31 March 2016: Re.1 per share)	**-**	(114.58)
– DDT on proposed dividend	**-**	(22.29)
	-	(136.87)

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

15. Borrowings

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Term Loan (refer note (1) below)						
Secured						
- From banks	**19,327.79**	19,652.66	12,578.43	**24.87**	11.75	300.01
- From Non bank financial Institution	**431.34**	468.54	2,592.75	**37.20**	53.75	898.46
	19,759.13	20,121.20	15,171.18	**62.07**	65.50	1,198.47
Less: Current Maturities of Long term debts disclosed under "other current financial liabilities" (Note 16)		-	-	**(62.07)**	(65.50)	(1,198.47)
	19,759.13	20,121.20	15,171.18	**-**	-	-
Unsecured loan						
- Chairman & Managing Director	**-**	-	207.00	**-**	-	-
Loans repayable on demand - from banks on cash credit (secured)	**-**	-	-	**161.62**	403.90	183.55
Total borrowings	**19,759.13**	20,121.20	15,378.18	**161.62**	403.90	183.55

Footnotes:

(1) Term Loan from banks:

Particulars	Sanctioned (Amount in INR lakhs)			Outstanding (Amount in INR lakhs)		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Yes Bank Loan (Interest Rate- 10.70%)	**20,000.00**	20,000.00	-	**19,300.00**	19,600.00	-
Kotak Mahindra Bank Loan (Interest Rate- 10.70%)	**-**	-	3,100.00	**-**	-	2,999.76
Kotak Mahindra Bank Loan A/c (Interest Rate- 10.70%)	**-**	-	1,800.00	**-**	-	1,724.98
Kotak Mahindra Bank Loan A/c (Interest Rate- 10.70%)	**-**	-	4,525.00	**-**	-	4,336.46
Kotak Mahindra Bank Loan A/c(Purchase of commercial space) (Interest Rate- 10.70%)	**-**	-	1,953.39	**-**	-	1,871.99
Kotak Mahindra Bank Loan A/c(Purchase of office space) (Interest Rate- 10.70%)	**-**	-	1,187.40	**-**	-	1,137.90
Kotak Mahindra Loan (Interest Rate- 10.70%)	**-**	-	824.55	**-**	-	807.35
Yes Bank-Vehicle Loan (Interest Rate- 9.50%)	**68.23**	68.23	-	**52.66**	64.41	-
	20,068.23	20,068.23	13,390.34	**19,352.66**	19,664.41	12,878.44

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

– 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 Lakhs from the YBL (Term loan of Rs 20000 Lakhs, overdraft facility of Rs 1000 Lakhs and Non-fund LC/ BG facility of Rs 500 Lakhs). Term loan shall be repayable in 44 structured quarterly installments after moratorium period of 36 months.

– Yes Bank Vehicle loan from Kotak Mahindra Prime Limited is secured by hypothecation of vehicles and is repayable upto October, 2021 in equal monthly installments.

Security:

1. Exclusive charge on the immovable properties i.e. Land & Building (both present & future) of Hotel Hyatt Regency, Mumbai.
2. Exclusive charge on current assets & movable fixed assets (both present & future) of Hotel Hyatt Regency, Mumbai.
3. Personal guarantee of Mr. Sushil Kumar Gupta to remain valid during the tenor of YBL Loan facility.
4. Negative lien over license rights of office building at Aerocity licensed from Aria Hotel & Consultancy Services Private Limited and sub licensed to Dell Foundation.

(2) Term Loan from Non bank financial Institution:

Particulars	Sanctioned (Amount in INR lakhs)			Outstanding (Amount in INR lakhs)		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
PTC India Limited-Solar project-Term Loan (Interest Rate- 12.25%)	**585.00**	585.00	585.00	**450.40**	487.60	500.00
Kotak Mahindra Prime Ltd-Vehicle Loan (Interest Rate- 9.97%)	**56.13**	56.13	177.29	**18.14**	34.69	87.04
Kotak Mahindra Prime Limited-Term Loan (Interest Rate- 10.70%)	**-**	-	3,500.00	**-**	-	2,904.17
	641.13	641.13	4,262.29	**468.54**	522.29	3,491.21

(a) Term loan from PTC India Limited-Solar project is secured by first charge of all the immovable property, present and future of the solar project and is repayable by 162 equal monthly instalments upto June, 2030.

(b) Vehicle loan from Kotak Mahindra Prime Limited is secured by hypothecation of vehicles and is repayable upto March, 2019 in equal monthly installments .

(c) Term Loan from Kotak Mahindra Prime Limited is secured by first pari passu charge on all existing and future immoveable properties i.e land and building, moveable fixed assets and current assets of Hotel Hyatt Regency Mumbai and by Personal Guarantee of Mr Sushil Gupta. The facility is repayable by March, 2020 in 54 unequal monthly instalments.

(3) Unsecured loan from Chairman & Managing Director

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.

(4) Loans repayable on demand - from banks on cash credit (secured)

The loan sanctioned limit amounts to Rs. 1,000 lakhs and is secured by way of exclusive charge on all existing and future current assets of Hotel Hyatt Regency, Mumbai and by personal gurantee of Mr Sushil Kumar Gupta, Chairman and Managing Director

16. Other Financial liabilities

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Security deposits	**180.68**	186.81	171.77	**-**	-	-
Current maturities of long-term debt (Refer Note-15)	**-**	-	-	**62.07**	65.50	1,198.47
Unpaid dividend	**-**	-	-	**130.08**	79.38	24.14
Interest accrued but not due	**-**	-	-	**176.08**	191.96	159.75
Payable for Capital Expenditure	**-**	-	-	**37.82**	-	-

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Other payables:						
Expenses	**-**	-	-	**658.71**	528.92	963.10
Accrued salaries & benefits	**-**	-	-	**123.91**	108.36	106.24
Total other financial liabilities	**180.68**	186.81	171.77	**1,188.67**	974.12	2,451.70

17. Provisions

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Provision for Gratuity	**288.67**	286.55	238.03	**193.76**	172.59	139.88
Provision for compensated absence	**90.64**	71.89	47.48	**9.58**	8.19	6.97
Total provisions	**379.31**	358.44	285.52	**203.34**	180.78	146.85

18. Other liabilities

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Advance From customers	**-**	-	-	**256.18**	154.53	223.33
Withholding & other taxes	**-**	-	-	**416.88**	206.52	213.39
Deferred revenue	**75.33**	39.67	57.81	**20.42**	18.13	18.13
Deferred Government Grant - EPCG	**-**	-	-	**48.93**	-	-
Total other liabilities	**75.33**	39.67	57.81	**742.42**	379.18	454.85

19. Income tax

(A) The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:

Statement of profit and loss:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Profit and loss section		
Current income tax:		
- Current income tax charge	**216.92**	34.32
- Adjustments in respect of current income tax of previous year	**4.46**	(0.66)
- MAT Credit Entitlement	**(28.25)**	-
Deferred tax:		
- Relating to origination and reversal of temporary differences	**(15.64)**	21.36
Income tax expense reported in the statement of profit or loss	**177.49**	55.02
OCI section		
Deferred tax related to items recognised in OCI during the year:		
- Net loss/(gain) on remeasurements of defined benefit plans	**(9.39)**	8.57
Income tax charged to OCI	**(9.39)**	8.57

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(B) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

Particulars	**As at 31 March 2018**	As at 31 March 2017
Accounting profit before tax	**597.81**	201.58
At India's statutory income tax rate of 33.063% (31 March 2017: 33.063%)	**197.65**	66.65
Adjustments:		
Interest on income Tax	**1.78**	-
Dividend Income	**(7.53)**	(0.02)
Donation	**1.99**	0.90
Tax Impact of other expenses disallowed under Income Tax	**(20.86)**	(11.85)
Tax relating to previous year	**4.46**	(0.66)
At the effective income tax rate of 33.063% (31 March 2017: 33.063%)	**177.49**	55.01
Income tax expense reported in the statement of profit and loss	**177.50**	55.02

(C) Deferred tax

Deferred tax relates to following:

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
<u>Deferred Tax Asset</u>			
Provision for leave encashment and gratuity	**192.64**	178.28	142.95
Provision for doubtful debtors	**1.00**	-	-
Provision for LTA , Bonus and Exgratia	**31.18**	-	-
Rental income on fair valuation of security deposit taken/received	**8.01**	(8.21)	(2.22)
Rental expense as per IND AS	**27.57**	98.82	71.25
Acturial Gain/loss reclass to OCI under IND AS	**(9.39)**	-	-
Notional interest expense on security deposits	**85.96**	5.40	-
Total (A)	**336.96**	274.28	211.98
<u>Deferred Tax Liability</u>			
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	**2,386.61**	2,617.84	2,833.41
Fair value gain on assets classified at FVPL	**1,149.01**	861.75	574.50
Finance income on unwinding of security deposit	**3.82**	3.42	-
Total (B)	**3,539.44**	3,483.01	3,407.91
Net Deferred Tax Liability (B-A)	**3,202.47**	3,208.73	3,195.93

20. Trade Payables

Particulars	**Current**		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Trade payables	**431.89**	528.79	580.89
Total trade payables	**431.89**	528.79	580.89

Terms and conditions of the above financial liabilities:

– Trade payables are non-interest bearing and are normally settled on 60-day terms

For explanations on the Company's credit risk management processes, refer to Note 36.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

21. Revenue From Operations

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of products and services:		
Rooms	**8,637.06**	8,495.76
Wines and liquor	**676.77**	583.95
Food, other beverages, smokes & banquets	**3,628.00**	3,458.52
Others	**1,091.42**	1,033.11
Total revenue from operations	**14,033.25**	13,571.34

Sale includes excise duty collected from customers of INR 1.84 lakhs (31 March 2017: INR 7.09 lakhs). Sales, net of excise duty is INR 14031.41 lakhs (31 March 2017: INR 13550.29 lakhs). Revenue from operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for year ended 31 March 2018 is not comparable with revenue from operations for the year ended 31 March 2017 to that extent.

22. Other income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Dividend income	**22.75**	0.07
Fair value gain on assets classified at FVPL	**868.80**	868.80
Rental Income (including fair value adjustment)	**350.09**	375.18
Income from sale of SEIS certificate	**111.88**	126.17
Miscellaneous Income	**-**	11.85
Interest income	**13.17**	38.55
Finance Income (fair value change in security deposits)	**11.57**	10.33
Total other income	**1,378.25**	1,430.95

23. Consumption of provisions, beverages, smokes and others

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Wines & liquor		
Opening stock	**130.09**	113.56
Add : Purchases	**260.01**	210.65
	390.10	324.21
Less : Closing stock	**137.46**	130.09
	252.64	194.12
Food, provisions, other beverages and smokes		
Opening stock	**20.48**	23.81
Add:- Purchases	**1,070.10**	1,046.95
	1,090.58	1,070.76
Less:- Closing stock	**19.17**	20.48
	1,071.41	1,050.28
Total consumption of provisions, beverages, smokes and others	**1,324.05**	1,244.40

24. Employee benefits expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries, wages, allowances & commission	**2,666.30**	2,520.40
Contribution to provident and other funds	**200.01**	164.08
Staff welfare expenses	**332.18**	316
Total employee benefits expense	**3,198.49**	3,000.48

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

25. Finance costs

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Interest expense on:		
Term Loans	**2,140.43**	2,253.86
Vehicle loans	**8.02**	7.90
Cash credit facility	**0.31**	38.66
Interest expense on security deposits (On account of fair value adjustments)	**(20.06)**	16.34
Other borrowing costs	**200.07**	619.12
Total finance costs	**2,328.77**	2,935.88

26. Depreciation and amortization expense

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Depreciation on tangible fixed assets	**1,594.60**	1,513.75
Total depreciation and amortization expense	**1,594.60**	1,513.75

27. Other expenses

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Consumption of linen, room, catering and other supplies/services	**318.14**	313.54
Operating equipments and supplies written off	**166.51**	92.04
Fuel, power and light (Net)	**1,147.13**	1,206.86
Contract Services	**635.42**	599.98
Repairs and maintenance:		
- Buildings	**198.93**	376.50
- Plant and machinery	**375.82**	337.68
- Others	**321.75**	276.80
Rent	**103.16**	92.22
Rates and taxes	**401.68**	449.33
Insurance	**51.59**	58.33
Directors' sitting fee	**10.20**	9.01
Legal and professional expenses (including payment to auditors)	**339.09**	183.97
Music & television	**14.85**	14.85
Artist fee	**2.47**	0.67
Stationery and printing	**8.56**	12.46
Travelling and conveyance	**380.71**	357.28
Communication expenses	**72.81**	89.33
Technical services	**611.10**	579.72
Advertisement and publicity	**323.04**	335.75
Commission and brokerage	**665.25**	599.40
Excise duty on sale of goods	**1.84**	7.09
Charity & donation	**12.01**	5.44
Impairment of assets	**17.91**	-
Provision for doubtful debts/advances(net)	**3.01**	-
Loss on fixed assets sold/discarded (net)	**68.09**	3.38
Recruitment & training	**18.68**	38.94
Miscellaneous	**98.01**	65.63
Total other expenses	**6,367.78**	6,106.20

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Payment to auditors:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
As auditor:		
- Statutory audit fee	**19.00**	14.00
- Tax audit fee	**1.00**	2.00
In other capacity:		
- Other services (certification fees)	**6.00**	-
- Reimbursement of expenses	**3.63**	-
	29.63	16.00

28. Earnigs per share (EPS)

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

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Profit / (Loss) attributable to equity holders of the Company	**439.33**	129.22
Weighted average number of Equity shares for basic EPS (in lakhs)	**114.58**	114.58
Effect of dilution - Convertible preference shares	**-**	-
Weighted average number of Equity shares adjusted for the effect of dilution *	**114.58**	114.58
Earning per share (Basic) (Rs.)	**3.83**	1.13
Earning per share (Diluted) (Rs.)	**3.83**	1.13
Face value per share (Rs.)	**10.00**	10.00

* 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.

29. Significant accounting judgements, estimates and assumptions

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

Judgements, estimates and assumptions

The judgements and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its judgements, assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. "

Taxes

Deferred tax assets, in case of history of losses, are recognised for unused tax losses to the extent only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (Refer note 19)"

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India. Further details about gratuity obligations are given in Note 31.

Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the present valuation technique. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 34 and 35 for further disclosures.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of financial assets

The Company is exposed to credit risk from its financing activities, including deposits with banks, security deposits, trade receivables and other financial instruments. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Provision for security deposit is measured using 12 month expected credit losses. Customer credit risk is managed by each unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold collateral as security. Refer note 34 & 35 for further details.

30. Interest in subsidiaries

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

Subsidiary company:

Name of the Subsidiary	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company			Quoted (Y/N)
			31-Mar-18	31-Mar-17	1-Apr-16	
Aria Hotels and Consultancy Services Private Limited	Development, design, finance, constructiion, operation and maintainence of upscale and Luxury hotel property	India	**82.49%**	82.49%	81.58%	N

31. Gratuity and other post-employment benefit plans

A. <u>Defined benefit plans - General Description</u>

The Company operates gratuity plan wherein every employee is entitled to a benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service. Gratuity benefits are valued accordance with the Payment of Gratuity Act, 1972.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Amount recognised in statement of profit and loss

Net employee benefit expense recognized in the employee cost:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Current service cost	**48.24**	50.22	42.02
Interest cost	**33.75**	30.23	26.55
Expenses recognised in the statement of profit and loss	**81.99**	80.45	68.57

Amount recognised in other comprehensive income

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
- change in financial assumptions	**(16.11)**	22.94	-
- experience variance (i.e. Actual experience vs assumptions)	**(10.52)**	2.98	8.58
- change in demographic assumption	**(1.77)**	-	-
Expenses recognised in the statement of profit and loss	**(28.40)**	25.91	8.58

Balance sheet

Benefit asset/ liability

Particulars	**As at 31 March 2018**	As at 31 March 2017	Year ended 01 April 2016
Present value of defined obligation	**482.43**	459.14	377.91

Changes in the present value of the defnied benefit obligation are as follows:

Particulars	**31 March 2018**	31 March 2017	31 March 2016
Opening defined benefit obligation	**459.13**	377.91	331.91
Current service cost	**48.24**	50.22	42.02
Interest cost	**30.40**	30.23	26.55
Benefits paid	**(26.96)**	(25.14)	(31.15)
Actuarial (gain)/ loss on obligation	**(28.40)**	25.91	8.58
Closing defined benefit obligation	**482.41**	459.14	377.91

Fair value of plan assets	**March 31, 2018**	March 31, 2017	April 1, 2016
Opening fair value of plan assets	**Nil**	Nil	Nil
Expected return	**N.A**	**N.A**	**N.A**
Contributions by employer	**Nil**	Nil	Nil
Benefits paid	**Nil**	Nil	Nil
Actuarial gains / (losses)	**Nil**	Nil	Nil
Closing fair value of plan assets	**Nil**	Nil	Nil

B. The principal assumptions used in determining gratuity and compeansated absences are as follows:

(a) Economic assumptions

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Discount rate	**7.80%**	7.35%	8.00%
Inflation rate	**7.00%**	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(b) **Demographic assumptions**

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Superannuation age	**58 years**	58 years	58 years
Mortality table	**100% of IALM (2006-08)**	100% of IALM (2006-08)	100% of IALM (2006-08)
Formula used	**Projected unit cost (PUC) method**	Projected unit cost (PUC) method	Projected unit cost (PUC) method
Average remaining working life	**25.49 years**	25.68 years	26.07 years

C. A quantitative sensitivity analysis for significant assumption as at 31 March is as shown below:

Assumptions	Sensitivity Level	Impact on defined benefit obligation
Discount rate:		
31 March 2018	Increase of 0.50%	(19.00)
	Decrease of 0.50%	20.62
31 March 2017	Increase of 0.50%	(18.22)
	Decrease of 0.50%	19.93
Future salary increases:		
31 March 2018	Increase of 0.50%	20.68
	Decrease of 0.50%	(19.22)
31 March 2017	Increase of 0.50%	19.90
	Decrease of 0.50%	(18.36)

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

D. Maturity Profile of defined benefit obligations:

Particulars	31 March 2018	31 March 2017
Within the next 12 months (next annual reporting period)	**168.99**	172.58
Between 2 and 5 years	**58.02**	33.09
Between 5 and 10 years	**43.93**	36.48
Beyond 10 years	**211.49**	216.99
Total expected payments	**482.43**	459.14

The average duration of the defined benefit plan obligation at the end of the reporting period is 32.51 years (31 March 2017: 32.32 years).

32. Commitments and Contingencies

A. Commitments

(a) Capital Commitment

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**77.92**	2.51	67.98
Other Commitments	**-**	54.19	60.47
Amount payable to yes bank limited as facility arragement fee	**-**	-	1,200

(b) Minimum lease payments for non-cancellable operating license:

Company as licensee

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(ii) Lease payments of March 31, 2018: Rs.19.78 lakhs (March 31, 2017: Rs.8.84 lakhs April 01, 2016: Rs. 13.38 lakhs)

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

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
(a) Not Later than one year	**20.46**	19.39	18.38
(b) Later than one year and not later than five years	**93.72**	88.83	84.20
(c) Later than five years	**336.49**	360.37	384.39

Company as licensor

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

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
(a) Not Later than one year	**332.30**	127.51	288.96
(b) Later than one year and not later than five years	**333.15**	88.55	216.06
(c) Later than five years	**-**	-	-

B. Contingent liabilities

Contingent Liabilities not provided for in respect of:

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Duty saved against export obligation (refer Footnote (5) below)	**70.89**	-	87.10
Corporate guarantees on behalf of subsidiaries (refer Footnote (7) below)	**1040.91**	1,563.65	2,296.92
Show cause Notice raised by service tax authorities and contested by the company (refer Footnote (8) below)	**515.51**	515.51	515.51
Show cause Notice raised by service tax authorities and contested by the company. (refer Footnote (1) below)	**-**	40.38	40.38
Show cause Notice raised by Service Tax Authorities and contested by the company (refer Footnote (2) below)	**55.56**	-	-
Property tax demand (refer Footnote (3) below)	**268.50**	268.50	266.55
Show cause Notice by Director of Revenue Intelligence(DRI) and contested by the company (refer Footnote (4) below)	**1200.21**	-	-
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	87.13
- Demand Notice raised for VAT Assessment FY 2012-13 and contested by the company.	**55.40**	55.40	-
- Demand Notice raised for VAT Assessment FY 2013-14 and contested by the company. (refer Footnote (6) below)	**12.22**	-	-
Consumer dispute redressal forum Mumbai – Guest compliant for forfeiture of event deposit	**16.38**	16.38	16.38

Footnotes:

(1) Company has received refund of Rs. 55.56 lakhs out of Rs. 95.94 lakhs towards the amount paid under protest for the Service Tax demand raised in earlier years. The petition is filed with Tribunal Authorities for refund of remaining amount and hence been included under “Loans and Advances” 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. Received the favorable order for Rs 40.38 lakhs on March 26th, 2018 from commissioner appeal. Company has filled refund request with the department.

(2). Company received notice from Principal Additional Director General, DGPM, Customs on December 27, 2017 towards service tax refund order of Assistant Commissioner amounting Rs 55.56 lakhs. Cross objection is raised that department issued refund order without examination and finding of unjust enrichment. Vide order dated April 18, 2018 Principal Additional Director Genera, DGPM set aside the refund order earlier passed by Assistant Commissioner and rejected our sanctioned refund amount of Rs 55.56 lakhs. The company has decided to file appeal with CESTAT against the said order.

(3) The Company has received property tax demand of Rs. 569.18 lakhs from Mumbai Municipal Corporate ("MMC") based on capital value system which is retrospectively from April 01, 2010, out of which, we have already booked and paid Rs. 302.63 lakhs 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 ratable 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.

(4) The company has received letter dated December 15, 2017 from Additional Director General of Foreign Trade (DGFT) advising the Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 19th, 2017 from Directorte of Revenue Intelligence (DRI) seeking the refund of duty of Rs 1200.21 lakhs towards the SFIS license availed, the Company has received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing.The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter has now been adjourned to August 09, 2018.

(5) The Company is under obligation to export goods with in a period of six year from the date of issue of EPCG License issued in terms of para 5.2 of Foreign Trade Policy 2009-2014. As on the date of Balance Sheet, the company is under obligation to export goods worth Rs. 293.57 lakhs as at March 31, 2018 within the stipulated time as specified in the respective licenses.

(6) The Company has received Notice of Demand of Rs 12.22 lakhs for Vat assessment for the FY 2013-14 dated March 17, 2018 from Deputy Commissioner of Sales tax. Against the said order , Company has filed an appeal on May 29,2018 before Joint Commissioner (Appeal) Sales tax.

(7) The Company executed corporate guarantees amounting to Rs. 28.35 Crores for and on behalf of Aria Hotels and Consultancy Services Pvt. Ltd. (subsidiary of the Company) for import of capital Goods under EPCG Scheme in favour of DGFT or Custom Authorities, out of which Corporate Guarantee amounting to Rs. 17.94 Crores has been released and corporate guarantees amounting to Rs. 10.41 Crores are pending till 31st March, 2018.

(8) Company has received show cause cum demand notice of Rs 515.51 lakhs on October 16, 2012 from Service Tax authorities for the period FY 2007-08 to 2011-12 towards wrong classification of services provided by Hyatt & its affiliates. Department disallowed cenvat credit on Hyatt payments due to wrong classification. Company has filed detailed reply and contesting all the claims with Commissioner of Service Tax. Awaiting for the hearing.

33. Related party transactions

(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 Gupta (Executive Whole –Time Director)
- Mr. Sandeep Gupta (Executive Whole –Time Director)
- Mr. Rakesh Kumar Aggarwal (Chief Financial Officer)
- Mr. Vivek Jain (Company Secretary)
- Mr. Nikhil Sethi (Company Secretary) (till 12-09-2015)

(iii) Relative of Key Management Personnel

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

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

- Eden Park Hotels Private Limited
- Bhasin & Co.
- Mettel Estates Private Limited
- Aria International Limited
- Chaman Lal Gupta & Sons, HUF
- CLG Hotels and Resorts Private Limited

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

Name of related party	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Purchases/Services availed during the year:			
-Bhasin and Co.	**1.80**	1.80	1.79
- Aria Hotels and Consultancy Services Private Limited*	**71.98**	62.24	66.35
- Mr. Sidharth Aggarwal	**4.95**	4.73	4.95
- Ms. Sukriti Gupta	**6.00**	6.00	6.00
- Mettel Estates Private Limited (Includes Finance Cost)	**-**	122.58	-
Sales/Services provided during the year:			
- Aria Hotels and Consultancy Services Private Limited	**9.32**	15.00	47.76
- Godfey Philips India Limited	**-**	-	11.87
Expenses paid:			
- Aria Hotels and Consultancy Services Private Limited	**-**	-	2.00
Loan given:			
- Aria Hotels and Consultancy Services Private Limited	**-**	1,540.00	100.00
Managerial remuneration/Salary			
Mr. Sushil Kumar Gupta#	**149.98**	138.54	128.77
Mr. Sudhir Gupta#	**127.44**	119.09	110.11
Mr. Sandeep Gupta#	**127.44**	118.70	109.71
Mr. Rakesh Kumar Aggarwal	**58.86**	55.35	43.54
Mr. Vivek Jain	**32.48**	30.47	12.11
Mr. Nikhil Sethi	**-**	-	24.34
Loan repaid during the year:			
- Mettel Estates Private Limited	**-**	10,000.00	-
- Mr Sushil Kumar Gupta	**-**	207.00	-
Loan received back:			
- Aria Hotels and Consultancy Services Private Limited	**-**	40.00	100.00
- Mr. Nikhil Sethi	**-**	-	4.40
Loan received:			
- Mettel Estates Private Limited	**-**	10,000.00	-
Security deposit refunded:			
- Aria Hotels and Consultancy Services Private Limited	**8.91**	-	33.29

* GST portion reimbursed to Aria Hotels and Consultancy Services Private Limited by company

includes employer contribution to provident fund and all taxable perquisites.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(B) Following are the balances oustanding as at year end:

Name of related party	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Accounts Payable			
Sushil Kumar Gupta	**-**	-	207.00
Outstanding receivable / recoverable:			
– Aria Hotels and Consultancy Services Private Limited - Security Deposit	**3,193.61**	3,193.61	3,193.61
– Aria Hotels and Consultancy Services Private Limited - Loan recoverable	**1,500.00**	1,500.00	-
Investment in Equity/Preference:			
– Aria Hotels and Consultancy Services Private Limited - Preference shares / Equity (refere Note 04)	**19,741.00**	19,741.00	19,741.00
Particulars of Corporate Guarantee given			
Aria Hotels and Consultancy Services Private Limited	**1040.00**	1,563.65	2,296.92

(C) Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: INR Nil, 1 April 2016: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(D) Compensation of key management personnel of the Company

Name of related party	Year ended 31 March 2018	Year ended 31 March 2017	As at 01 April 2016
Short-term employee benefits	**496.20**	462.15	428.58

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

34. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value			Fair value		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(A) Financial Assets						
Financial Assets measured at amortised cost						
Investments	16,803.05	15,112.24	14,241.79	16,803.05	15,112.24	14,241.79
Others	131.98	125.06	109.67	131.98	125.06	109.67
Loan	1,500.84	1,571.94	26.14	1,500.84	1,571.94	26.14
Trade Receivables	931.36	703.64	473.29	931.36	703.64	473.29
Cash and cash equivalents	43.19	309.14	309.08	43.19	309.14	309.08
Other bank balances	250.09	79.38	24.14	250.09	79.38	24.14
Financial Assets measured through Profit & loss a/c						
Investments	7,240.00	7,240.00	7,240.00	10,715.20	9,846.40	8,977.60
(B) Financial liabilities						
Financial liabilities measured at amortised cost						
Borrowings	19,920.75	20,525.10	15,561.73	19,920.75	20,525.10	15,561.73
Others	1,369.35	1,160.93	2,623.47	1,369.35	1,160.93	2,623.47
Trade Payables	431.89	528.79	580.89	431.89	528.79	580.89

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The management assessed that current portion of investments, cash and cash equivalents, other bank balances, trade receivables, others, loans, borrowings, trade payables and other payables of current nature approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

Security deposits given and received - The company's security deposits (given and received) have been fair valued by applying DCF method using a discount rate representative of the company's current rate of borrowings. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs.

Debt component of non convertible preference shares - The debt component of preference shares have been fair valued by applying DCF method using a discount rate representative of the company's current rate of borrowings. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs.

Unquoted investments in mutual funds - The fair value is calculated by using the publicly available net asset value (NAV) of the mutual funds as on reporting date. Net asset value (NAV) is a mutual fund's price per share which is calculated by dividing the total value of all the securities in its portfolio, less any liabilities, by the number of fund shares outstanding.

Floating rate borrowings - The carrying value and fair value of floating rate borrowings has been considered the same since the interest rate approximates its fair value.

35. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

All amounts in Rs. (lakhs), except otherwise stated

Particulars	**Date of Valuation**	**Total**	**Fair value measurement using**	
			Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**
Assets measured at fair value				
Unquoted investments in optionally convertible preference shares	31 March 2018	10,715.20	-	10,715.20
Assets for which fair values are disclosed				
Investments	31 March 2018	16,803.05	-	16,803.05
Loan	31 March 2018	132.82	-	132.82
Others	31 March 2018	1,500.00	-	1,500.00
Trade Receivables	31 March 2018	931.36	-	931.36
Cash and cash equivalents	31 March 2018	43.19	-	43.19
Other bank balances	31 March 2018	250.09	-	250.09
Liabilities for which fair values are disclosed				
Borrowings	31 March 2018	19,920.75	-	19,920.75
Others	31 March 2018	1,369.36	-	1,369.36
Trade Payables	31 March 2018	431.89	-	431.89

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2017:

Particulars	**Date of Valuation**	**Total**	**Fair value measurement using**	
			Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**
Assets measured at fair value				
Unquoted investments in optionally convertible preference shares	31 March 2017	9,846.40	-	9,846.40
Assets for which fair values are disclosed				
Investments	31 March 2017	15,112.24	-	15,112.24
Loan	31 March 2017	126.33	-	126.33
Others	31 March 2017	1,570.67	-	1,570.67

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	Date of Valuation	Total	Fair value measurement using	
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Trade Receivables	31 March 2017	703.64	-	703.64
Cash and cash equivalents	31 March 2017	309.14	-	309.14
Other bank balances	31 March 2017	79.38	-	79.38
Liabilties for which fair values are disclosed				
Borrowings	31 March 2017	20,525.10	-	20,525.10
Others	31 March 2017	1,160.93	-	1,160.93
Trade Payables	31 March 2017	528.79	-	528.79

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 01 April 2016:

Particulars	Date of Valuation	Total	Fair value measurement using	
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Assets measured at fair value				
Unquoted investments in optionally convertible preference shares	01 April 2016	9,846.40	-	9,846.40
Assets for which fair values are disclosed				
Investments	01 April 2016	14,241.79	-	14,241.79
Loan	01 April 2016	113.17	-	113.17
Others	01 April 2016	22.64	-	22.64
Trade Receivables	01 April 2016	473.29	-	473.29
Cash and cash equivalents	01 April 2016	309.08	-	309.08
Other bank balances	01 April 2016	24.14	-	24.14
Liabilties for which fair values are disclosed				
Borrowings	01 April 2016	15,561.73	-	15,561.73
Others	01 April 2016	2,623.47	-	2,623.47
Trade Payables	01 April 2016	580.89	-	580.89

There have been no transfers between Level 1 and Level 2 during the period.

36. Financial risk management objectives and policies

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

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

Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2018, 31 March 2017 and 01 April 2016.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2018.

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

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

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018, 31 March 2017 and 01 April 2016.

Interest rate risk

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

	Increase / Decrease in basis point	Effect on profit before tax
		INR Lakhs
31-Mar-18	**+50%**	**10.63**
	-50%	-10.63
31-Mar-17	+50%	10.83
	-50%	-10.83

Foreign currency risk

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

	Change in USD rate	Effect on profit before tax	Equity Net of tax
		INR Lakhs	INR Lakhs
31-Mar-18	**+5%**	**15.08**	**10.09**
	-5%	-15.08	-10.09
31-Mar-17	+5%	7.65	5.12
	-5%	-7.65	-5.12

Credit risk

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

Trade receivables:

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6. The Company does not hold collateral as security.

Financial instruments and cash deposits

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

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2018, 31 March 2017 and 01 April 2016 is the carrying amounts.

Liquidity risk

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

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

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	INR lakhs	INR lakhs	INR lakhs	INR lakhs	INR lakhs	INR lakhs
Year ended 31 March 2018						
Borrowings	161.62	-	-	5,212.73	14,546.40	19,920.75
Trade payables	-	431.89	-	-	-	431.89
Other financial liabilities	-	1,020.00	168.70	67.10	213.67	1,469.47
	161.62	**1,451.89**	**168.70**	**5,279.83**	**14,760.07**	**21,822.11**
Year ended 31 March 2017						
Borrowings	403.90	-	-	3,747.60	16,373.60	20,525.10
Trade payables	-	528.79	-	-	-	528.79
Other financial liabilities	-	860.19	113.93	253.12	-	1,227.24
	403.90	**1,388.98**	**113.93**	**4,000.72**	**16,373.60**	**22,281.13**
As at 1 April 2016						
Borrowings	183.55	207.00	-	5,192.25	9,977.36	15,561.73
Trade payables	-	580.89	-	-	-	580.89
Other financial liabilities	-	1,490.83	962.44	254.42	-	2,707.69
	183.55	**2,278.72**	**962.44**	**5,446.67**	**9,977.36**	**18,850.32**

37. Capital management

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

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

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Total outstanding liability (A)	**26,324.86**	26,381.62	22,907.06
Total net worth (B)	**29,646.05**	29,343.59	29,352.27
Gearing ratio (A)/(A+B) (%)	**47.03%**	47.34%	43.83%

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

38. Unhedged foreign currency exposures

(i) Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	**March 31, 2018**		**March 31, 2017**		**April 1, 2016**	
	Foreign currency (USD)	**Amount (INR)**	**Foreign currency (USD)**	**Amount (INR)**	**Foreign currency (USD)**	**Amount (INR)**
Accounts Payable	463773.11	301.66	235456	152.58	328530	223.40

39. SEGMENT INFORMATION

Information regarding Primary Segment Reporting as per Ind AS-108

The Company is engaged in only one segment of Hotel business. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31 March 2018.

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

40. 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 :

Particulars	As at 31st March 2018	Maximum balance during the year	As at 31st March 2017	Maximum balance during the year
Subsidiary company **Aria Hotels and Consultancy Services Private Limited**	1,500.00	1,500.00	1,500.00	1,500.00

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

A. Particulars of Loan Given

Name of Party	March 31, 2018	March 31, 2017	April 1, 2016	Nature of Loan	Purpose
Aria Hotels and Consultancy Services Private Limited	**1,500.00**	1,500.00	-	Unsecured	For Business Purpose

B. Particulars of Corporate Guarantee given:

Name of Party	March 31, 2018	March 31, 2017	April 1, 2016	Nature of Guarantee	Purpose
Aria Hotels and Consultancy Services Private Limited	**1,040.91**	1,563.65	2,296.92	Corporate Guarantee	For Business Purpose

C. Particulars of Investment made:

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

D. Particulars of security deposit:

Name of Party	Nature of Security	Purpose	March 31, 2018	March 31, 2017	April 1, 2016
Aria Hotels and Consultancy Services Private Limited	security deposit paid for office space/ commercial space on Lease	For Business Purpose	**3,193.61**	3,193.61	3,193.61

42. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

(a) Ind AS 115 Revenue from contracts with customers

Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Ind AS 115 is effective for the Company in the fiscal yeae 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Company has established an internal team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, effect on financial statements and additional disclosure requirements that may be necessary. Upon adoption the Company does not expect a material change in the manner in which revenue arrangements are recognized from the current practice.

b) Amendments to Ind AS 12 Recognition of deferred tax assets for unrealised losses

The amendments clarify that the Company needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how the Company should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The Company is required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. The Company applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. The Company is currently evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

(c) Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the Company must determine the transaction date for each payment or receipt of advance consideration

The Company may apply the Appendix requirements on a fully retrospective basis. Alternatively, the Company may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the Company first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the Company first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. The Company is currently evaluating the requirements of the amendment and the effect on the financial statements is being evaluated."

(d) Transfers of investment property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

The amendments are effective for annual periods beginning on or after 1 April 2018. However, this standard is not applicable on the Company.

(e) Ind AS 28 Investments in associates and joint ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

- The Company that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If the Company, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

  The amendments should be applied retrospectively and are effective from 1 April 2018. However, this standard is not applicable on the Company"

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 43. (I)

(a) Reconciliation of balance sheet as at April 01, 2016 (date of transition to IND AS)

All amounts in Rs. (lakhs), except otherwise stated)

	Footnote	Indian GAAP	IndAS Adjustment	IND AS
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment		24,318.10	-	24,318.10
(b) Capital work-in-progress		913.43	-	913.43
(c) Financial Assets				
(i) Investments		19,741.00	1,737.60	21,478.60
(ii) Others	(a)	3,217.21	(3,107.54)	109.67
(d) Other non-current assets	(a)	-	2,808.67	2,808.67
(e) Non Current Tax Assets (Net)		490.75	-	490.75
(2) Current assets				
(a) Inventories		315.00	-	315.00
(b) Financial Assets				
(i) Investments		3.19	-	3.19
(ii) Trade Receivables		473.29	-	473.29
(iii) Cash and cash equivalents		309.08	-	309.08
(iv) Bank balances other than (iii) above		24.14	-	24.14
(v) Loans		26.14	-	26.14
(c) Other current assets		905.88	83.37	989.25
Total Assets		**50,737.21**	**1,522.10**	**52,259.31**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		1,145.83	-	1,145.83
(b) Other Equity	(e)	27,045.20	1,161.24	28,206.44
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings		15,378.18	-	15,378.18
(ii) Others	(b)	254.42	(82.65)	171.77
(b) Provisions	(c)	285.51	-	285.51
(c) Deferred tax liabilities (Net)	(d)	2,690.46	505.47	3,195.93
(d) Other non current liabilities		-	57.81	57.81
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		183.55	-	183.55
(ii) Trade Payables		580.89	-	580.89
(iii) Other		2,451.70	-	2,451.70
(b) Other current liabilities		436.71	18.14	454.85
(c) Provisions	(c)	284.76	(137.91)	146.85
Total Equity and Liabilities		**50,737.21**	**1,522.10**	**52,259.31**

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 43. (I)

(b) Reconciliation of balance sheet as at March 31, 2017

All amounts in Rs. (lakhs), except otherwise stated)

	Footnote	Indian GAAP	IndAS Adjustment	IND AS
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment		24,442.01	-	24,442.01
(b) Capital work-in-progress		804.09	-	804.09
(c) Financial Assets				
(i) Investments		19,741.00	2,606.40	22,347.40
(ii) Others	**(a)**	3,222.27	(3,097.21)	125.06
(d) Other non-current assets	**(a)**	1,028.57	2,725.29	3,753.86
(e) Non Current Tax Assets (Net)		273.20	-	273.20
(2) Current assets				
(a) Inventories		331.59	-	331.59
(b) Financial Assets				
(i) Investments		4.84	-	4.84
(ii) Trade Receivables		703.64	-	703.64
(iii) Cash and cash equivalents		309.14	-	309.14
(iv) Bank balances other than (iii) above		79.38	-	79.38
(v) Loans		1,571.94	-	1,571.94
(c) Other current assets		895.68	83.38	979.06
Total Assets		**53,407.35**	**2,317.86**	**55,725.21**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		1,145.83	-	1,145.83
(b) Other Equity	**(e)**	26,640.56	1,557.20	28,197.76
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings		20,121.20	-	20,121.20
(ii) Others	**(b)**	253.12	(66.31)	186.81
(b) Provisions	**(c)**	358.44	-	358.44
(c) Deferred tax liabilities (Net)	**(d)**	2,439.56	769.17	3,208.73
(d) Other non current liabilities		-	39.67	39.67
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		403.90	-	403.90
(ii) Trade Payables		528.79	-	528.79
(iii) Other		974.12	-	974.12
(b) Other current liabilities		361.05	18.13	379.18
(c) Provisions	**(c)**	180.78	-	180.78
Total Equity and Liabilities		**53,407.35**	**2,317.86**	**55,725.21**

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 43(I)

(c) Reconciliation of statement of profit and loss for the year ended March 31, 2017

All amounts in Rs. (lakhs), except otherwise stated

			Footnote	Indian GAAP	IndAS Adjustment	IND AS
I	**Revenue From Operations (gross)**			13,571.34	-	13,571.34
II	**Other Income**		**(b)**	533.69	897.26	1,430.95
III	**Total Income (I+II)**			**14,105.03**	**897.26**	**15,002.29**
IV	**EXPENSES**					
	Consumption of provisions, beverages, smokes and others			1,244.40	-	1,244.40
	Employee Benefit Expenses		**(c)**	3,026.39	(25.91)	3,000.48
	Finance Cost		**(a)**	2,919.54	16.34	2,935.88
	Depreciation and amortization expense			1,513.75	-	1,513.75
	Other Expenses			6,022.83	83.38	6,106.20
	Total expenses (IV)			**14,726.90**	**73.80**	**14,800.71**
V	**Profit/(loss) before tax (III-IV)**			**(621.87)**	**823.46**	**201.58**
VI	**Tax expense:**					
	(1) Current tax			34.32	-	34.32
	(2) Earlier year tax adjustments			(0.66)	-	(0.66)
	(3) Deferred tax (credit)/ charge		**(d)**	(250.89)	272.26	21.36
VII	**Profit/(loss) for the period (V- VI)**			**(404.63)**	**551.20**	**146.56**
VIII	**Other Comprehensive Income/(Loss)**		**(c)**	**-**	**(17.35)**	**(17.34)**
	A	(i) Items that will not be reclassified to profit or loss				
		- Re-measurement gains/ (losses) on defined benefit plans		-	(25.91)	(25.91)
		(ii) Income tax relating to items that will not be reclassified to profit or loss		-	8.57	8.57
	B	(i) Items that will be reclassified to profit or loss		-	-	-
		(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
IX	Total Comprehensive Income/(Loss) for the period (VIII+IX) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)			**(404.63)**	**533.85**	**129.22**

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Note 43(II)

(II) Reconcilitions

(a) Equity Reconciliation statement

Particulars	Notes	As at 31 March 2017		As at 01 April 2016	
Amount of Equity Under IGAAP (Net Assets)			27,786.39		28,191.01
Add:					
Adjustments relating to Financial Instrument:					
- Security deposits received	(b)	8.51		6.71	
- Investment in OCPS recognized at fair value		2,606.40		1,737.60	
- Proposed Dividend reversal	(e)	-	2,614.91	137.91	1,882.22
Less:					
Adjustments relating to Financial Instrument:					
- Security deposits paid	(a)	288.54		215.49	
- Taxes on above adjustment	(d)	769.17	(1,057.71)	505.47	(720.97)
Amount of Equity Under Ind AS			**29,343.59**		**29,352.27**

(b) Profit reconciliation statement:

Particulars	Notes	For the year ended 31 March 2017	
Profit / (loss) after tax as per Indian GAAP for the year ended			(404.64)
Less:			
Adjustments relating to Financial Instrument:			
- Security deposits paid	(a)	(73.05)	
- Taxes on Ind AS transition adjustment	(d)	(263.68)	(336.73)
Add:			
Adjustments relating to Financial Instrument:			
- Security deposits received	(b)	1.79	
- Investment in Optionally Convertible preference shares recognized at fair value		868.80	870.59
Total comprehensive income as per Ind AS			**129.22**

(III) Footnotes to the reconciliation of equity and reconciliation of profit or loss:

a. Security deposit paid

(i) Under Indian GAAP, the security deposits have been recorded at transaction value however under Ind AS security deposit paid, being a financial asset, has been recorded initially at fair value and subsequently at amortised cost.

(ii) Recording of security deposit under Ind AS, initially at fair value gives rise to a differential between transaction value and fair value which has been recognised at prepaid rent. Under Indian GAAP no such prepaid rent was recorded.

b. Security deposit taken

(i) Under Indian GAAP, the security deposits have been recorded at transaction value however under Ind AS security deposit taken, being a financial liability, has been recorded initially at fair value and subsequently at amortised cost.

(ii) Recording of security deposit under Ind AS, initially at fair value gives rise to a differential between transaction value and fair value which has been recognised at deferred rental income. Under Indian GAAP no such deferred rental income was recorded.

c. Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is reduced by INR 25.91 lakhs and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

d. Deferred Taxes:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

Further, deferred tax has been recognised on Ind AS transition adjustments.

e. Proposed dividend

Under Indian GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In case of the Company, the liability relating to proposed dividend (including dividend distribution tax) has been derecognised against retained earnings as at 1 April 2016.

44. First-time adoption of Ind AS

(I) These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "previous GAAP").

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions applied:

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

(a) Property, plant and equipment and intangible assets

Since there is no change in the Company's functional currency on the date of transition to Ind ASs, it has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

(c) Investment in subsidiary

The Company has elected to continue with the carrying values of its investments in subsidiaries as at 31 March 2015 as deemed cost at the date of transition. Investment in subsidiaries have been carried in the statement of financial position in accordance with previous GAAP as of 31 March 2016.

Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

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

As per report of even date
FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Asian Hotels (West) Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Asian Hotels (West) Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated loss including other comprehensive income, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 44 to the consolidated Ind AS financial statements relating to Emphasis of matter mentioned in Auditor's report of the subsidiary Company, 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 subsidiary Company and conversion of Compulsorily Convertible Preference Shares (CCPS) held by the investors and holding Company. Further, no Ind AS adjustments have been made in view of Hon'ble Delhi High Court' order to maintain the status quo and the same is continued to be carried as equity in subsidiary Company's Ind AS financial statements. Our opinion is not qualified in respect of this matter.

Other Matter

The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 26, 2017 and May 24, 2016 respectively expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) The matter described under the Emphasis of Matters paragraph above, may have an adverse effect on the functioning of the group;

(f) On the basis of written representations received from the directors of the Holding Company and subsidiary Company as on March 31, 2018, and taken on record by the Board of Directors of the Holding Company and subsidiary Company, none of the directors of the Group are disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate report in “Annexure 1” to this report;

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

  i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 32 B to the consolidated Ind AS financial statements;

  ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018.

  iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018.

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

per Atul Seksaria
Partner
Membership Number: 086370

Place of Signature: New Delhi
Date: May 30, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASIAN HOTELS (WEST) LIMITED

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

In conjunction with our audit of the consolidated financial statements of Asian Hotels (West) Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Asian Hotels (West) Limited (hereinafter referred to as the “Holding Company”) and its one subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, its one subsidiary company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31,2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Atul Seksaria
Partner
Membership Number: 086370

Place of Signature: New Delhi
Date: May 30, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

All amounts in Rs. (lakhs), except otherwise stated

	Notes	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	**88,421.14**	92,083.24	95,554.86
(b) Capital work-in-progress	3	**343.17**	872.18	954.82
(c) Other Intangible Assets		**171.53**	175.15	224.50
(d) Financial Assets				
(i) others	5	**194.86**	196.60	186.32
(e) Other non-current assets	9	**11,484.67**	11,794.10	10,989.25
(f) Non Current Tax Assets (Net)	10	**775.64**	723.86	868.21
(2) Current assets				
(a) Inventories	11	**689.42**	829.37	800.59
(b) Financial Assets				
(i) Investments	4	**826.85**	4.84	3.19
(ii) Trade Receivables	6	**2,203.77**	1,929.83	1,329.15
(iii) Cash and cash equivalents	7	**2,781.38**	1,301.80	1,271.06
(iv) Bank balances other than (iii) above	7	**1,348.41**	480.28	197.86
(v) Loans	8	**44.92**	101.31	61.04
(c) Other current assets	9(a)	**2,242.51**	1,688.50	1,792.64
(d) Assets held for sale	9(b)	**11.48**	0.00	0.00
Total Assets		**1,11,539.75**	1,12,181.06	1,14,233.50
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	12	**1,145.83**	1,145.83	1,145.83
(b) Other Equity	13	**11,468.28**	12,418.80	15,054.39
(c) Non Controlling Interest		**986.05**	1,258.47	1,903.92
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	**76,675.98**	76,454.87	72,359.98
(ii) Others	16	**498.11**	482.25	387.90
(b) Provisions	17	**564.09**	472.78	362.11
(c) Deferred tax liabilities (Net)	19	**2,670.15**	2,714.04	2,692.68
(d) Other non current liabilities	18	**10,264.05**	10,768.69	11,667.18
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	**161.62**	403.90	761.11
(ii) Trade Payables	20	**2,662.05**	2,088.79	2,294.35
(iii) Others	16	**1,993.66**	2,439.11	4,167.36
(b) Other current liabilities	18	**2,243.33**	1,350.73	1,288.28
(c) Provisions	17	**206.55**	182.80	148.41
Total Equity and Liabilities		**1,11,539.75**	1,12,181.07	1,14,233.50
Summary of Corporate Information & significant accounting policies	1 & 2			

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

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

			Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
I		**Revenue from operations**	21	39,126.50	36,432.28
II		**Other Income**	22	1,553.26	1,772.34
III		**Total Income (I+II)**		40,679.76	38,204.62
IV		**EXPENSES**			
		Consumption of provisions, beverages and others	23	4,355.60	4,003.09
		Employee benefit Expenses	24	6,283.09	5,851.14
		Finance cost	25	9,116.94	10,168.70
		Depreciation and amortization expense	26	5,597.55	5,488.53
		Other expenses	27	16,284.58	15,761.14
		Total expenses (IV)		41,637.76	41,272.60
V		Profit/(loss) before tax (III-IV)		(958.00)	(3,067.98)
VI		**Tax expense:**			
	(1)	Current tax		216.92	34.32
	(2)	Minimum alternate tax			
		Minimum alternate tax credit entitlement		(28.25)	-
	(3)	Income tax adjustment related to earlier years		4.46	(0.66)
	(4)	Deferred tax credit related to earlier years		(15.64)	21.36
VII		**Profit/(loss) for the period (V- VI)**		(1,135.49)	(3,123.00)
VIII		**Other Comprehensive Income/(Loss)**		(27.57)	(15.26)
	A	(i) Items that will not be reclassified to profit or loss			
		Re-measurement gains/(losses) on defined benefit obligations		(36.96)	(23.83)
		(ii) Income tax relating to items that will not be reclassified to profit or loss		9.39	8.57
	B	(i) Items that will be reclassified to profit or loss		-	-
		(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
IX		**Total Comprehensive Income/(loss) for the period (VII+VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		(1,163.06)	(3,138.26)
		Attributable to Asian Hotels (West) Limited		(890.64)	(2,558.82)
		Attributable to Non Controlling Interest		(272.42)	(579.44)
X		**Earnings / (Loss) per share:**			
		- Basic, computed on the basis of profit attributable to equity holders of the parent	28	(7.77)	(22.33)
		- Diluted, computed on the basis of profit attributable to equity holders of the parent	28	(7.77)	(22.33)
		Summary of Corporate Information & significant accounting policies	1 & 2		

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	Year Ended 31 March'2018	Year Ended 31 March'2017
Cash flow from operating activity		
Net loss before tax (A)	**(957.99)**	(3,067.99)
Adjustment for:		
Depreciation & amortisation	**5,597.54**	5,488.53
(Profit)/Loss on sale of fixed assets	**79.30**	5.65
Dividend income on investment	**22.75**	(0.07)
OCI impact of acturial gain/(loss) on defined benefit obligations	**19.84**	(27.99)
Finance income (including fair value change adjustments)	**257.78**	226.62
Rental income (including fair value change adjustements)	**(276.02)**	(288.68)
Expense on account of fair valuation of security deposits	**83.38**	83.38
Interest on OCPS	**0.00**	0.00
Finance Cost (including fair value change adjustments)	**9,070.12**	10,020.72
Expenses capitalised on account of recognition of EPCG grant	**(411.79)**	(720.00)
Interest income	**(24.94)**	(6.75)
Total (B)	**14,417.97**	14,781.42
Operating profit before working capital charges (A+B)	**13,459.97**	11,713.43
Adjustments for:		
(Increase)/Decrease in inventories	**139.95**	(28.78)
(Increase)/Decrease in trade receivables	**(214.74)**	(648.71)
(Increase)/Decrease in financial assets and other assets	**(256.68)**	(2,090.35)
Increase/(Decrease) in trade payables	**573.26**	(205.56)
Increase/(Decrease) in financial liabilities, other liabilities and provisions	**1,084.75**	(237.52
	1,326.53	(3,210.92)
Cash generated from operations	**14,786.51**	8,502.51
Direct taxes paid (Net)	**(396.33)**	(226.70)
Net cash from Operating Activities	**14,390.18**	8,275.81
Cash flow from investing activity (I)		
Purchase of property, plant and equipment	**(2,287.45)**	(2,243.31)
Sale of property, plant and equipment	**702.80**	88.90
Purchase of Mutual Funds/FD	**(1,520.10)**	(227.18)
Movement in investment	**0.67**	(1.65)
Dividend income on investment	**(22.75)**	0.07
Dividend Paid	**-**	0.00
Interest Received	**26.61**	23.10
Net Cash used in Investing Activities (II)	**(3,100.22)**	**(2,360.07)**
Cash flow from financing activity		
Repayment of borrowings	**(607.78)**	(15,756.86)
Proceeds of borrowings	**140.69**	12,684.90
Interest paid	**(9,172.58)**	(2,757.80)
Net Cash from Financing activities (III)	**(9,639.67)**	(5,829.76)
Net Increase/ (Decrease) in Cash Equivalent (I+II+III)	**1,650.29**	85.98
Cash and Cash equivalent (Beginning of the year)	**1,381.18**	1,295.20
Cash and Cash equivalent (End of the year)	**3,031.47**	1,381.18
	3,031.47	1,381.18

All amounts in Rs. (lakhs), except otherwise stated

Particulars	**Year Ended 31 March'2018**	Year Ended 31 March'2017
Components of cash and cash equivalents as at		
Balances with banks in current accounts	**185.30**	1,090.47
On deposit accounts	**2,445.16**	150.00
Cash on hand	**18.94**	15.58
Cheques in hand	**22.28**	45.75
Dividend accounts	**250.09**	79.38
Balances with banks in current accounts	**109.70**	-
	3,031.47	**1,381.18**

Amendments to IND AS 7 Statement of Cash Flows

The amendments requires company to provide disclosure of changes in their liabilities arising from financing activities, including changes arising from both cash flows and non cash changes. The amendments are effective for annual periods beginning on or after 01 April 2017. Therefore the company has not provided comparative information of preceeding period.

Investing Activities:

Particulars	**Gross Additions**	**Cash Flows**	**Non cash change on account of EPCG**
Acquisition of Property, plant and equipment	2,352.67	2,287.45	65.22
	2,352.67	**2,287.45**	**65.22**

Financing Activities:

Particulars	As on April 01, 2017	**Cash Flows**	**Non cash change on account of fair valuation of borrowings**	**As on March 31, 2018**
Long term borrowings (including current maturities)	77883.58	(467.09)	42.43	**77,374.06**
	77,883.58	(467.09)	42.43	**77,374.06**

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

A. Equity share capital:

Equity shares of INR 10 each issued, subscribed and fully paid	Equity Shares	
	No. In lakhs	INR lakhs
At 1 April 2016	114.58	1,145.83
Increase/(decrease) during the year	-	-
At 31 March 2017	114.58	1,145.83
Increase/(decrease) during the year	-	-
At 31 March 2018	**114.58**	**1,145.83**

B. Other equity

For the year ended 31 March 2017 and 31 March 2018:

Particluars	Reserves and Surplus					Items of Other Comprehensive Income (OCI)	Total
	Capital reserve	Capital redemption reserve	Securities Premium	General reserve	Surplus in P&L	Employee benefits	
Balance as at 1 April 2016	2,974.61	990.00	144.36	15,653.24	(4,714.45)	6.63	15,054.39
Add/ (Less):							
Adjustment in capital reserve due to change in holding	59.07	-	-	-	-	-	59.07
Dividends (including tax on dividend)	-	-	-	-	(137.91)	-	(137.91)
Total Comprehensive Income / (loss) for the year 2016-17	-	-	-	-	(2,543.56)	(13.19)	(2,556.74)
Balance at the 31 March 2017 as per Ind AS	3,033.68	990.00	144.36	15,653.24	(7,395.92)	(6.56)	12,418.80
Add/ (Less):							
Dividends	-	-	-	-	(136.87)	-	(136.87)
Total Comprehensive Income / (loss) for the year	-	-	-	-	(863.07)	49.42	(813.65)
Balance at the 31 March 2018	**3,033.68**	**990.00**	**144.36**	**15,653.24**	**(8,395.86)**	**42.86**	**11,468.28**

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

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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 has one subsidiary "Aria Hotels and Consultancy Services Private Limited ("Aria"). The Company and Aria collectively is called "the Group". Aria has entered into Development Agreement, dated July 4, 2009, with Delhi International Airport Private Limited for acquiring Development Rights by way of a license over the specified area at the Airport site for developing, designing, financing, constructing, owning, operating and maintaining an upscale and Luxury hotel property till May 02, 2036 extendable up to May 02, 2066 (in case DIAL's term under Operation, Maintenance and Development Agreement (OMDA) is extended for additional period of 30 years). Aria has to pay an annual License Fee as stipulated in the Agreement. Also, Aria has entered into an "Infrastructure Development and Service Agreement" with DIAL on 4th July, 2009, for the use of infrastructure facilities and services being developed by DIAL. The Hotel has been in Operation since March 1, 2014.

The Company is listed on the National Stock Exchange and Bombay Stock Exchange. The registered office of the Company is located at 6th Floor, Aria Towers, JW Marriott Hotel, Asset Area - 4, Aerocity, Hospitality District, New Delhi - 110037. The consolidated financial statements were approved for issue in accordance with a resolution of the directors.

2. Significant accounting policies

2.1 Basis of preparation

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

For all periods up to and including the year ended 31 March 2017, the Group prepared its consolidated financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These consolidated financial statements for the year ended 31 March 2018 are the first the Group has prepared in accordance with Ind AS. Refer to note 40 for information on how the Group adopted Ind AS.

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

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

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as on 31 March 2018. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those return through its power over the investee. Specifically, the Group controls an investee if and only if it has:

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee and
- The ability to use its power over the investee to affect its returns

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

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. Following consolidation procedure is followed:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

Change in the Group's ownership interests in existing subsidiary

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

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

2.3 Summary of significant accounting policies

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

b. Foreign currencies

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

Transactions and balances

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

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

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

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

c. Fair value measurement

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

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

a) Disclosures for valuation methods, significant estimates and assumptions (Note 29)

b) Quantitative disclosures of fair value measurement hierarchy (Note 35)

Financial instruments (including those carried at amortised cost) (Note 34)

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Service tax, luxury tax, Sales tax/ value added tax (VAT), Goods and Service Tax (GST) and other applicable taxes on behalf of the Group is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

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

Rooms, food, beverages, banquet and other services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Sale of food and beverages are recognized at the point of serving these items to the guests. Revenue from other services is recognized as and when services are rendered. The group collects service tax, value added tax (VAT) and luxury tax on behalf of guests, and therefore, these are not economic benefits flowing to the group, hence, these are excluded from revenue. Shortfall of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Income from hiring of vehicles

Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

Interest income

For all financial instruments measured either at amortised cost or fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

License fee

License fee from sub license rights are recognised on accrual basis over the period of space / sub licensing agreement.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

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

f. Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

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

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

g. Property, plant and equipment

Recognition and Measurement

The Group has elected to continue with the carrying value for all its property, plant and equipment as recognized in the consolidated financial statements as at the date of transition to Ind-AS and use the same as its deemed cost as at the date of transition.

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

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

Depreciation

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

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

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

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

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.
Intangible asset consist of Computer software in these financial statements which has been amortized as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	Finite (6 years)	Amortised on a straight-line basis over the period *	Acquired

i. Borrowing costs

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

j. Leases

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

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

Group as a lessee

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

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

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

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

Group as a lessor

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

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

k. Inventories

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

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

l. Impairment of non-financial assets

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

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

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

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

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

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

m. Provisions and Contingent Liabilities

General

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

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

Contingent liabilities

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

n. Retirement and other employee benefits

Defined Contribution

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

Defined Benefits

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

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

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

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

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

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

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

Other long term employees benefits

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

o. Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instrument at FVTPL

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

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

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

However, the group may transfer the cumulative gain or loss within equity.

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

Derecognition

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

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

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

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

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)

e) Loan commitments which are not measured as at FVTPL

f) Financial guarantee contracts which are not measured as at FVTPL

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

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

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

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

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

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

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount"

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Financial liabilities at amortised costs

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Other financial liabilities that are measured at amortised cost include security deposits taken by the Group.

Financial guarantee contracts

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

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

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

Offsetting of financial instruments

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

p. Cash and cash equivalents

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

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

q. Cash dividend to equity holders

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

r. Earnings per share

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

3. Fixed Assets

Particulars	Land - freehold	Buildings	Furniture, fixture & furnishings	Plant & Machinery	Electrical Installations and Equipments	Office equipment	Vehicles	Computers	Total Tangible assets	Computer software	Total Intangible assets	Capital work in Progress
Cost or valuation												
Deemed cost as at April 1, 2016*	9,343.63	57,377.47	7,792.01	13,083.59	6,294.82	1,108.65	322.52	232.18	95,554.87	224.50	224.50	954.82
Additions	365.57	665.22	67.05	665.47	123.53	14.64	152.53	6.73	2,060.74	1.37	1.37	26.70
Sales /Adjustment /Transfer	-	-	(0.26)	(14.86)	-	-	(96.08)	-	(111.20)	-	-	(109.34)
As at 31 March 2017	**9,709.20**	**58,042.69**	**7,858.80**	**13,734.20**	**6,418.35**	**1,123.29**	**378.97**	**238.91**	**97,504.41**	**225.87**	**225.87**	**872.18**
Additions	-	388.81	238.20	1,225.74	18.07	22.22	98.68	47.05	2,038.77	50.27	50.27	275.08
Sales /Adjustment /Transfer	-	(45.46)	(0.16)	(76.03)	-	-	(75.13)	(24.66)	(221.44)	-	-	(804.09)
As at 31 March 2018	**9,709.20**	**58,386.04**	**8,096.84**	**14,883.91**	**6,436.42**	**1,145.51**	**402.52**	**261.30**	**99,321.74**	**276.14**	**276.14**	**343.17**
Depreciation												
As at 01 April 2016	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	1,694.48	1,222.82	1,784.53	462.30	128.84	72.01	72.83	5,437.81	50.72	50.72	-
Sales /Adjustment /Transfer	-	-	-	(2.18)	-	-	(14.46)	-	(16.64)	-	-	-
As at 31 March 2017	-	1,694.48	1,222.82	1,782.35	462.30	128.84	57.55	72.83	5,421.17	50.72	50.72	-
Charge for the year	-	1,716.39	1,237.38	1,871.60	467.87	130.81	62.45	57.17	5,543.66	53.88	53.88	-
Sales /Adjustment /Transfer	-	(4.82)	-	(26.17)	-	-	(24.02)	(9.23)	(64.24)	-	-	-
As at 31 March 2018	**-**	**3,406.05**	**2,460.20**	**3,627.78**	**930.17**	**259.65**	**95.98**	**120.77**	**10,900.60**	**104.60**	**104.60**	**-**
Net Block:												
As at 31 March 2018	**9,709.20**	**54,979.99**	**5,636.64**	**11,256.13**	**5,506.25**	**885.86**	**306.54**	**140.53**	**88,421.14**	**171.53**	**171.53**	**343.17**
As at 31 March 2017	**9,709.20**	**56,348.21**	**6,635.98**	**11,951.85**	**5,956.05**	**994.45**	**321.42**	**166.08**	**92,083.24**	**175.15**	**175.15**	**872.18**
As at 01 April 2016	**9,343.63**	**57,377.47**	**7,792.01**	**13,083.59**	**6,294.82**	**1,108.65**	**322.52**	**232.18**	**95,554.86**	**224.51**	**224.51**	**954.82**

*The group has availed the deemed cost exemption and used the previous GAAP carrying amount of property, plant and equipment as deemed cost. The gross block and accumulated depreciation of such items of property, plant and equipment as on April 1, 2016 are as under:

Particulars	Gross Block	Accumulated Depreciation	Net Block as at 01 April2016"
Land - freehold	9,343.63	-	9,343.63
Buildings	62,820.51	5,443.05	57,377.47
Furniture, fixture & furnishings	12,585.27	4,793.26	7,792.01
Plant & Machinery	21,284.80	8,201.21	13,083.59
Electrical Installations & Equipments	7,488.23	1,193.41	6,294.82
Office equipment	1,521.24	412.60	1,108.64
Vehicles	740.02	417.50	322.52
Computers	390.63	158.45	232.18
Computer software	328.99	104.49	224.50
Total	**1,16,503.32**	**20,723.97**	**95,779.36**

***Capital Work in Progress**

Capital work in progress as at 31 March 2018 comprises expenditure for the renovation of Banquet hall and Air Handling unit of Hyatt Regency, Mumbai and fit-out and renovation of new meeting room of JW Marriott, Delhi. Total amount of CWIP is Rs. 343.17 lakhs (31 March 2017: Rs.872.18 lakhs, 1 April 2016: Rs. 954.82 lakhs).

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

4. Financial assets

Investments

Particulars	Current			Non Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Investment in Mutual funds	**822.68**	-	-	**-**	-	-
Investments at fair value through profit and loss (FVTPL):						
Quoted equity shares:						
- Investment in quoted equity shares as held for trading	**4.17**	4.84	3.19	**-**	-	-
Total investments	**826.85**	4.84	3.19	**-**	-	-
Aggregate book value of quoted investments	**826.85**	4.84	3.19	**-**	-	-
Aggregate market value of quoted investments	**826.85**	4.84	3.19	**-**	-	-

5. Financial Assets- Others (Unsecured considered good unless otherwise stated)

Particulars	Non - Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial assets classified at amortised cost			
Security deposits	**194.86**	196.60	186.32
Total loans	**194.86**	196.60	186.32

6. Trade receivables (Unsecured considered good unless otherwise stated)

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Financial assets classified at amortised cost			
- Others	**2,203.77**	1,929.83	1,329.15
Total trade receivables	**2,203.77**	1,929.83	1,329.15

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

7. Cash and bank balances (Unsecured considered good unless otherwise stated)

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Cash and cash equivalents			
Balances with banks in current accounts	**185.30**	1,090.47	1,057.91
Cash on hand	**18.94**	15.58	15.39
Deposits with original maturity of less than 3 months	**2,445.16**	150.00	170.00
-Balance in Cash Credit a/c with UBI	**109.70**	-	-
Cash in Transit	**22.28**	45.75	27.75
	2,781.38	1,301.80	1,271.05
Other bank balances			
Deposits with original maturity of more than 12 months	**1,097.42**	400.00	172.82
Deposits with original maturity for more than 3 months but less than 12 months*	**0.90**	0.90	0.90
Dividend accounts	**250.09**	79.38	24.14
	1,348.41	480.28	197.86
Total cash and bank balances	**4,129.79**	1,782.08	1,468.91

* The subsidiary company has deposited lien against bank guarantee amounting to Rs.0.90 lakhs issued to value added tax authorities.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Cash and bank balances:			
Balances with banks in current accounts	**185.30**	1,090.47	1,057.91
Cash on hand	**18.94**	15.58	15.39
Deposits with original maturity of less than 3 months	**2,445.16**	150.00	170.00
-Balance in Cash Credit a/c with UBI	**109.70**	-	-
Cash in Transit	**22.28**	45.75	27.75
	2,781.39	1,301.80	1,271.06
Other bank balances			
Dividend accounts	**250.09**	79.38	24.14
	3,031.47	1,381.18	1,295.20

8. Financial assets loans (Unsecured considered good unless otherwise stated)

Particulars	**Current**		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial assets classified at amortised cost			
Unbilled revenue	**-**	70.68	22.64
Interest accrued on fixed deposits	**14.03**	4.14	10.18
Loans to employees	**8.21**	5.74	15.15
Security deposits	**22.68**	20.75	13.07
Total other financial assets	**44.92**	101.31	61.04

Break up of financial assets carried at amortised cost:

Particulars	**Current**			**Non - Current**		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Trade receivables	**2,203.77**	1,929.83	1,329.15	**-**	-	-
Security Deposit	**194.86**	196.60	186.32	**-**	-	-
	2,398.63	2,126.44	1,515.48	**-**	-	-

9(a) Other assets

Particulars	**Non-current**			**Current**		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Advances recoverable in cash or in kind:				**126.10**	117.26	152.93
Capital advances	**-**	-	-	**145.29**	91.75	34.10
Advance to suppliers/contractors	**-**	-	-	**308.92**	278.68	233.13
Balances with statutory authorities	**-**	-	-	**894.30**	155.52	216.45
Prepaid expenses	**942.86**	1,028.57	-	**657.96**	663.75	560.70
Deferred lease expense on security deposit paid	**10,541.81**	10,765.53	10,989.25	**-**	-	-
Deferred Income Grant SEIS	**-**	-	-	**-**	-	-
Other advances recoverable in cash or kind	**-**	-	-	**109.94**	381.54	595.35
Total other assets	**11,484.67**	11,794.10	10,989.25	**2,242.51**	1,688.50	1,792.66

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

9(b) Fixed Assets Held for Sale

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Fixed Assets (Computers, Televisions) held for sale (at net book value or estimated net realisable value, whichever is lower)	**11.48**	-	-
Total fixed assets held for sale	**11.48**	-	-

During the year, the Company entered into agreement to sell the computers and televisions as these were not in active use. Accordingly, these assets has been classified as 'held for sale'. Sale of these assets are expected to be completed within next 12 months.

10. Non Current Tax Assets (Net)

Particulars	Non-current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Advance tax (net of provision)	**747.39**	723.86	868.21
MAT Credit Entitlement	**28.25**	-	-
Total non current tax assets (net)	**775.64**	723.86	868.21

11. Inventories

(Valued at lower of cost and net realizable value)

Particulars	Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Wines & liquor	**531.39**	507.16	403.83
Provisions, other beverages and smokes	**58.13**	61.68	60.11
Crockery, cutlery, silverware, linen etc.	**67.32**	127.49	122.54
General stores and spares	**32.58**	53.53	55.09
Stores and operating supplies	**-**	79.50	159.02
Total inventories	**689.42**	829.37	800.59

12. Equity share capital

(A) Authorised share capital:

Particulars	Equity shares		Preference Shares	
	No. In Lakhs	INR lakhs	No. In Lakhs	INR lakhs
As at 01 April 2016	140.00	1,400.00	110.00	1,100.00
Increase / (Decrease) during the year	-	-	-	-
As at 31 March 2017	140.00	1,400.00	110.00	1,100.00
Increase / (Decrease) during the year	-	-	-	-
As at 31 March 2018	**140.00**	**1,400.00**	**110.00**	**1,100.00**

(B) Terms / rights attached to each class of shares:

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

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

Subject to the provisions of the Investment Agreement entered into between the Company, it's subsidiary Aria Hotels & Consultancy Services Private Limited (Aria) & the IL&FS Group (i.e. Investors), statutory and other approvals, if any, the Company and its subsidiary Aria had to provide the investor IL&FS Group, an 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.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(C) Issued equity capital

Particulars	**No. in lakhs**	**INR lakhs**
Equity shares of INR 10 each issued, subscribed and fully paid: *		
At 1 April 2016	114.58	1,145.83
Changes during the period	-	-
At 31 March 2017	114.58	1,145.83
Changes during the period	-	-
At 31 March 2018	**114.58**	**1,145.83**

* 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.

(D) Details of shareholders holding more than 5% shares in the Company:

Particulars	**As at 31 March 2018**		As at 31 March 2017	
	No. In lakhs	**% of holding**	No. In lakhs	% of holding
Equity shares of Rs 10 each fully paid up				
D.S.O. Limited	**53,36,880.00**	**46.58%**	53,36,880.00	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.

13. Other Equity

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
(A) Capital reserve			
Opening balance	**3,033.68**	2,974.61	2,974.61
Add: Transferred from statement of profit & loss	**-**	59.07	-
Closing balance	**3,033.68**	3,033.68	2,974.61
(B) Capital redemption reserve			
Opening balance	**990.00**	990.00	990.00
Add: Transferred from statement of profit & loss	**-**	-	-
Closing balance	**990.00**	990.00	990.00
(C) Securities premium reserve			
Opening balance	**144.36**	144.36	144.36
Add : Received during the year	**-**	-	-
Less: received during the year	**-**	-	-
Closing balance	**144.36**	144.36	144.36
(D) General reserve			
Opening balance	**15,653.24**	15,653.24	15,653.24
Add: Transferred from statement of profit & loss	**-**	-	-
Closing balance	**15,653.24**	15,653.24	15,653.24
(E) Surplus/ (deficit) in the statement of profit and loss			
Opening balance	**(7,258.01)**	(4,714.45)	342.05
Add: Transfer from debenture redemption reserve	**-**	-	-
Less: Depreciation on account of change in useful lifes of assets as per Companies Act 2013	**-**	-	-
Less: Deferred tax related to depreciation charged	**-**	-	-
Add: Loss for the year	**(863.07)**	(2,543.56)	(5,056.50)
Amount available for appropriation	**(8,121.08)**	(7,258.01)	(4,714.45)

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
	Less: Appropriations			
	Transfer to general reserve	**-**	-	(137.91)
	Dividend Paid	**(114.58)**	(114.58)	-
	Proposed dividend on equity shares	**(22.29)**	(23.33)	114.58
	Dividend distribution tax	**-**	-	23.33
	Closing balance	**(8,257.94)**	(7,395.92)	0.00
(F)	**Other reserve - Other comprehensive income***			
	Opening balance	**(6.56)**	6.63	12.38
	Add: Transferred from statement of profit & loss	**(97.06)**	(15.26)	(5.75)
	Less: Transferred to statement of profit & loss	**8.56**	2.08	-
	Closing balance	**(95.05)**	(6.56)	6.63
	Total other equity	**11,468.28**	12,418.80	19,768.84

14. Distribution made and proposed

	Particulars	As at 31 March 2018	As at 31 March 2017
	Cash dividends on equity shares declared and paid:		
–	Final dividend for the year ended on 31 March 2017: Re 1 per share (31 March 2016: Re 1.20 per share)	**(114.58)**	114.58
–	DDT on final dividend	**(22.29)**	23.33
		(136.87)	137.91
	Proposed dividends on Equity shares: *		
–	Final cash dividend for the year ended on 31 March 2018: Re.1 per share (31 March 2017: Re.1 per share)	**-**	(114.58)
–	DDT on proposed dividend	**-**	(22.29)
			(136.87)

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

15. Borrowings

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Term Loan (refer note (1) below)						
Secured						
- From banks	**73,592.27**	73,822.85	67,328.24	**24.87**	11.75	300.01
- From Non bank financial Institution	**3,557.38**	3,591.34	5,725.74	**37.20**	53.75	898.46
	77,149.65	77,414.19	73,053.98	**62.07**	65.50	1,198.47
Less: current maturities of Long term debts disclosed under "other current liabilities" (Refer note 16)	**(473.67)**	(959.32)	(901.00)	**(62.07)**	(65.50)	(1,198.47)
	76,675.98	76,454.87	72,152.98	**-**	-	-
Unsecured loan				**-**	-	-
- Chairman & Managing Director	**-**	-	207.00	**-**	-	-
Loans repayable on demand - from banks on cash credit (secured)	**-**	-	-	**161.62**	403.90	734.74
Vehicle Loan	**-**	-	-	**-**	-	26.37
Total borrowings	**76,675.98**	76,454.87	72,359.98	**161.62**	403.90	761.11

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Footnotes:

(1) Term Loan from banks (Holding Company):

Particulars	Sanctioned (Amount in INR lakhs)			Outstanding (Amount in INR lakhs)		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Yes Bank Loan (Interest Rate- 10.70%)	**20,000.00**	20,000.00	-	**19,300.00**	19,600.00	-
Kotak Mahindra Bank Loan (Interest Rate- 10.70%)	**-**	-	3,100.00	**-**	-	2,999.76
Kotak Mahindra Bank Loan A/c (Interest Rate- 10.70%)	**-**	-	1,800.00	**-**	-	1,724.98
Kotak Mahindra Bank Loan A/c (Interest Rate- 10.70%)	**-**	-	4,525.00	**-**	-	4,336.46
Kotak Mahindra Bank Loan A/c (Purchase of commercial space) (Interest Rate- 10.70%)	**-**	-	1,953.39	**-**	-	1,871.99
Kotak Mahindra Bank Loan A/c(Purchase of office space) (Interest Rate- 10.70%)	**-**	-	1,187.40	**-**	-	1,137.90
Kotak Mahindra Loan (Interest Rate- 10.70%)	**-**	-	824.55	**-**	-	807.35
Yes Bank-Vehicle Loan (Interest Rate- 9.50%)	**68.23**	68.23	-	**52.66**	64.41	-
	20,068.23	20,068.23	13,390.34	**19,352.66**	19,664.41	12,878.44

- 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 Lakhs from the YBL (Term loan of Rs 20000 Lakhs, overdraft facility of Rs 1000 Lakhs and Non-fund LC/ BG facility of Rs 500 Lakhs). Term loan shall be repayable in 44 structured quarterly installments after moratorium period of 36 months.
- Yes Bank Vehicle loan from Kotak Mahindra Prime Limited is secured by hypothecation of vehicles and is repayable upto October, 2021 in equal monthly installments.

Security:

1. Exclusive charge on the immovebale properties i.e. Land & Building (both present & future) of Hotel Hyatt Regency, Mumbai.
2. Exclusive charge on current assets & movable fixed assets (both present & future) of Hotel Hyatt Regency, Mumbai.
3. Personal guarantee of Mr.Sushil Gupta to remain valid during the tenor of YBL Loan facility.
4. Negative lien over license rights of office building at Aerocity licensed from Aria Hotels & Consultancy Services Private Limited and sub licensed to Dell Foundation.

(2) Term Loan from banks (Subsidiary Company):

Term loans obtained from Consortium of banks -Union Bank of India as lead bank were 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 were refinanced under Flexible Structuring with cut off date of 01st October, 2016 with fixation of fresh Amortisation schedule in respect of outstanding loans of Rs. 556.68 Crores 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 migrated from Base rate to MCLR and spread 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). The ROI has since been reset to 10.65% p.a. w.e.f 01st October 2017. Lender's right to recompense for previous restructuring for sacrifice, if any, shall continue. The term loans of Rs 556.68 Cr are repayable in 77 structured unequal quarterly installments, as per the repayment schedule, the first installment was payable from 31 December 2016.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

New Term Loan amounting to Rs 10 Cr 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% i.e. 10.95% p.a., repayable in 16 structured quarterly installment post moratorium period of one year from last disbursement, interest rate has been revised to 10.80% p.a. w.e.f. 12th May 2018.

Secured Term Loans including new term loan are secured by way of first 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 to working capital facilities;

(d) A second charge over all bank accounts, excluding the Escrow Account, or any account in substitution thereof and any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;

(e) A first charge over the Escrow Account, (or any account in substitution thereof), including without limitation, any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;

(f) A first charge on all intangibles of the 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.

(h) Irrevocable and unconditional personal guarantee of Mr. Sushil Gupta, Chairman.

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, presently @10.05% p.a w.e.f 29th April 2018.

- Vehicle loans:

Loan obtained from Kotak Mahindra Prime Ltd. Repayable in 59 equated montly installments of Rs. 69,148 beginning from March 1, 2015, and is secured against the vehicle purchased.

Loan obtained from YES Bank Ltd Repayable in 60 equated montly installments of Rs. 151,770/- beginning from February 01, 2017, and is secured against the vehicles purchased.

Loan obtained from YES Bank Ltd Repayable in 60 equated montly installments of Rs. 107,135/- beginning from March 15, 2018, and is secured against the vehicle purchased.

Loans repayable on demand - from banks on cash credit (secured):

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 was revised to one year MCLR + 2.25% ie 10.90% p.a w.e.f 29th April 2017, presently @ 10.75% p.a. w.e.f. 29 April 2018.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(3) Term Loan from Non bank financial Institution (Holding Company):

Particulars	Sanctioned (Amount in INR lakhs)			Outstanding (Amount in INR lakhs)		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
PTC India Limited-Solar project-Term Loan (Interest Rate- 12.25%)	**585.00**	585.00	585.00	**450.40**	487.60	500.00
Kotak Mahindra Prime Ltd-Vehicle Loan (Interest Rate- 9.97%)	**56.13**	56.13	177.29	**18.14**	34.69	87.04
Kotak Mahindra Prime Limited-Term Loan (Interest Rate- 10.70%)		0.00	3500.00	**0.00**	0.00	2904.17
	641.13	641.13	4262.29	**468.54**	522.29	3491.21

(a) Term loan from PTC India Limited-Solar project is secured by first charge of all the immovable property, present and future of the solar project and is repayable by 162 equal monthly instalments upto June, 2030.

(b) Vehicle loan from Kotak Mahindra Prime Limited is secured by hypothecation of vehicles and is repayable upto March, 2019 in equal monthly installments .

(c) Term Loan from Kotak Mahindra Prime Limited is secured by first pari passu charge on all existing and future immoveable properties i.e land and building, moveable fixed assets and current assets of Hotel Hyatt Regency Mumbai.

(4) Unsecured loan from Chairman & Managing Director

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.

(5) Loans repayable on demand - from banks on cash credit (secured)

The loan sanctioned limit amounts to Rs. 1,000 lakhs and is secured by way of exclusive charge on all existing and future current assets of Hotel Hyatt Regency, Mumbai and by personal gurantee of Mr Sushil Kumar Gupta, Chairman and Managing Director.

16. Other Financial liabilities

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Security deposits	498.11	482.25	387.90	**54.97**	-	43.62
Current maturities of long-term debt (Refer note 15)	-	-	-	**535.74**	1,024.82	2,099.47
Unpaid dividend	-	-	-	**130.08**	79.38	24.14
Interest accrued but not due	-	-	-	**183.08**	226.65	204.74
Interest accrued and due on borrowings				**14.06**	-	-
Payable for Capital Expenditure-Retention money				**62.65**	130.28	308.02
Payable for Capital Expenditure-Others				**31.42**	120.08	206.17
Other payables:				**-**	-	-
Expenses	-	-	-	**658.82**	704.97	1,093.08
Accrued salaries & benefits	-	-	-	**322.83**	152.94	188.12
Total other financial liabilities	**498.11**	482.25	387.90	**1,993.66**	2,439.11	4,167.36

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

17. Provisions

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Provision for Gratuity	**372.13**	341.33	268.53	**194.52**	172.80	139.97
Provision for compensated absence	**191.96**	131.45	93.57	**12.03**	10.00	8.44
Total provisions	**564.09**	472.78	362.11	**206.55**	182.80	148.41

18. Other liabilities

Particulars	Non-current			Current		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Advance From customers	**-**	-	-	**666.20**	450.46	475.46
Withholding & other taxes	**-**	-	-	**416.88**	206.52	213.39
Statutory dues	**-**	-	-	**857.61**	449.85	362.94
Deferred income on discounting of security deposits	**9,152.55**	9,337.69	9,498.05	**233.29**	225.77	218.36
Deferred revenue	**75.33**	39.67	57.80	**20.42**	18.13	18.13
Deferred Government Grant - EPCG	**1,036.17**	1,391.33	2,111.33	**48.93**	-	-
Total other liabilities	**10,264.05**	10,768.69	11,667.18	**2,243.33**	1,350.73	1,288.28

19. Income tax

(A) The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:

Statement of profit and loss:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Profit and loss section		
Current income tax:		
- Current income tax charge	**216.92**	34.32
- Adjustments in respect of current income tax of previous year	**4.46**	(0.66)
- MAT Credit Entitlement	**(28.25)**	-
Deferred tax:		
- Relating to origination and reversal of temporary differences	**(15.64)**	21.36
Income tax expense reported in the statement of profit or loss	**177.49**	55.02
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
- Net loss/(gain) on remeasurements of defined benefit plans	**(9.39)**	8.57
Income tax charged to OCI	**(9.39)**	8.57

(B) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017:

Particulars	**As at 31 March 2018**	As at 31 March 2017
Accounting profit before tax	**(958.00)**	(3,067.98)
At India's statutory income tax rate of 33.063% (31 March 2017: 33.063%)	**(316.75)**	(1,014.37)
Adjustments:		
Interest on income Tax	**1.78**	-
Dividend Income	**(7.52)**	(0.02)
Donation	**1.99**	0.90
Tax Impact of other expenses disallowed under Income Tax	**(20.86)**	(11.85)

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	As at 31 March 2018	As at 31 March 2017
Tax relating to previous year	4.46	(0.66)
Deferred tax asset not created on carry forward losses	514.40	1,081.02
"At the effective income tax rate of 33.063% (31 March 2017: 33.063%)"	177.49	55.02
Income tax expense reported in the statement of profit and loss	177.49	55.02

(C) Deferred tax

Deferred tax relates to following:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Deferred Tax Asset			
Provision for leave encashment and gratuity	192.64	178.28	142.95
Provision for doubtful debtors	1.00	-	-
Provision for LTA , Bonus and Exgratia	31.18	-	-
Rental income on fair valuation of security deposits taken/received	-	-	
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	34.49	25.35	39.13
Unabsorbed depreciation as per tax return	666.38	924.26	1,205.08
Total (A)	**925.69**	1,127.89	1,387.16
Deferred Tax Liability			
Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,087.48	3,567.45	4,077.62
Deferred tax liability on IND-AS adjustments	508.36	274.48	2.22
Total (B)	**3,595.84**	3,841.93	4,079.84
Net Deferred Tax Liability (B-A)	**2,670.15**	2,714.04	2,692.68

20. Trade Payables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Total outstanding dues of micro enterprises and small enterprise (refer note 40)	13.84	2.67	1.78
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,648.21	2,086.12	2,292.57
Total trade payables	**2,662.05**	2,088.79	2,294.35

Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing and are normally settled on 60-day terms.

For explanations on the Company's credit risk management processes, refer to Note 37.

21. Revenue From Operations

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of products and services:		
Rooms	20,700.62	19,326.67
Wines and liquor	2,554.18	2,220.65
Food, other beverages, smokes & banquets	11,390.84	10,816.59
Others	3,317.59	3,040.87
Sub License Fees (including maintenance fee)	1,163.27	1,027.50
Total revenue from operations	**39,126.50**	36,432.28

Sale includes excise duty collected from customers of INR 1.84 lakhs (31 March 2017: INR 7.09 lakhs). Sales, net of excise duty is INR 39124.66 lakhs (31 March 2017: INR 36425.19 lakhs). Revenue from operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for year ended 31 March 2018 is not comparable to 31 March 2017.

22. Other income

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Dividend income	**22.75**	0.07
Rental Income (including fair value adjustments)	**340.77**	375.18
Gain on foreign exchange fluctuation	**-**	11.04
Miscellaneous Income	**53.92**	65.78
Rental Income on security deposits (on account of fair value adjustments)	**298.00**	260.22
Government grant	**770.74**	975.04
Interest income	**49.67**	69.46
Finance Income (fair value change in security deposits)	**17.41**	15.55
Total other income	**1,553.26**	1,772.34

23. Consumption of provisions, beverages, smokes and others

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Wines & liquor		
Opening stock	**171.29**	149.86
Add : Purchases	**2,730.55**	2,473.96
	2,901.84	2,623.82
Less : Closing stock	**176.42**	171.29
	2,725.42	2,452.53
Food, provisions, other beverages and smokes		
Opening stock	**397.55**	314.08
Add:- Purchases	**1,645.72**	1,634.03
	2,043.27	1,948.11
Less:- Closing stock	**413.09**	397.54
	1,630.18	1,550.57
Total consumption of provisions, beverages, smokes and others	**4,355.60**	4,003.09

24. Employee benefits expense

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Salaries, wages, allowances & commission	**5,347.65**	4,876.59
Contribution to provident and other funds	**380.01**	303.02
Gratuity	**21.11**	105.31
Staff welfare expenses	**464.33**	517.35
Leave Encashment	**69.99**	48.86
Total employee benefits expense	**6,283.09**	5,851.14

25. Finance costs

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Interest expense on:		
Term Loans	**8,647.42**	9,205.47
Vehicle loans	**11.32**	59.38
Cash credit facility	**1.32**	55.91
Interest expense on security deposits (on account of fair value adjustment)	**15.19**	24.47
Other borrowing costs	**441.69**	823.47
Notional interest expense on optionally convertible preference shares	**-**	-
Total finance costs	**9,116.94**	10,168.70

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

26. Depreciation and amortization expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation on tangible fixed assets	**5,543.66**	5,437.81
Amortisation of Intangible Assets	**53.89**	50.72
Total depreciation and amortization expense	**5,597.55**	5,488.53

27. Other expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Consumption of linen, room, catering and other supplies/services	**875.62**	923.21
Consumption of stores and spares	**220.07**	278.15
Operating equipments and supplies written off	**1,666.18**	1,424.32
License Fees	**1,223.42**	1,180.29
Fuel, power and light (Net)	**2,596.06**	2,815.08
Contract Services	**1,338.47**	1,153.76
Repairs and maintenance:		
- Buildings	**408.10**	620.75
- Plant and machinery	**967.38**	969.97
- Others	**321.75**	276.80
Rent	**103.16**	92.22
Rates and taxes	**815.08**	829.74
Insurance	**82.71**	92.73
Directors' sitting fee	**10.20**	9.01
Legal and professional expenses (including payment to auditors)	**837.23**	712.20
Music & television	**14.85**	14.85
Equipment Hire Charges	**112.35**	87.88
Artist fee	**2.47**	0.67
Stationery and printing	**74.92**	79.42
Plants and Decorations	**100.02**	96.14
Membership and Subscription	**16.57**	14.30
Travelling and conveyance	**1,036.98**	921.95
Communication expenses	**169.12**	187.60
Technical services	**611.10**	579.72
Director Remuneration	**71.91**	7.68
Director's sitting fees	**-**	5.40
Advertisement and publicity	**993.96**	903.80
Commission and brokerage	**665.25**	599.40
Charity & donation	**12.01**	5.44
Impairment of assets	**17.91**	-
Sales Commission	**671.21**	605.64
Provision for doubtful debts/advances(net)	**3.01**	58.47
Loss on fixed assets sold/discarded (net)	**79.30**	5.65
Recruitment & training	**28.37**	49.52
Gain/Loss on foreign exchange	**4.47**	-
Excise duty on sale of goods	**1.84**	7.09
Miscellaneous	**131.53**	152.29
Total other expenses	**16,284.58**	15,761.14

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Payment to auditors:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
As auditor:		
- Statutory audit fee	**46.00**	38.00
- Tax audit fee	**2.00**	3.00
- Limited Review fee		
In other capacity:		
- Other services	**22.55**	5.00
- Reimbursement of expenses	**6.29**	2.16
	76.84	48.16

28. Earnings per share (EPS)

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

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Profit / (Loss) attributable to equity holders of the Company	**(890.64)**	(2,558.82)
Weighted average number of Equity shares used for computing Earning Per Share (Basic and Diluted)	**114.58**	114.58
Earning Per Share (Basic) (Rs.) (face value per share Rs 10)	**(7.77)**	(22.33)
Earning Per Share (Diluted) (Rs.) (face value per share Rs 10)	**(7.77)**	(22.33)

* 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.

29. Significant accounting judgements, estimates and assumptions

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

Judgements, estimates and assumptions

The judgements and key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its judgements, assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets, in case of history of losses, are recognised for unused tax losses to the extent only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (Refer note 19)"

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India. Further details about gratuity obligations are given in Note 31

Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the present valuation technique. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 and 36 for further disclosures.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Impairment of financial assets

The group is exposed to credit risk from its financing activities, including deposits with banks, security deposits, trade receivables and other financial instruments. Credit risk from balances with banks is managed by the group's treasury department in accordance with the group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Provision for security deposit is measured using 12 month expected credit losses. Customer credit risk is managed by each unit subject to the group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The group does not hold collateral as security. Refer note 36 for further details.

30. Interest in subsidiaries

The consolidated financial statements group includes subsidiary listed in table below:

Subsidiary company:

Name of the Subsidiary	Principal Activity	Method used to account for investments	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company			Quoted (Y/N)
				31-Mar-18	31-Mar-17	1-Apr-16	
Aria Hotels and Consultancy Services Private Limited	Development, design, finance, constructiion, operation and maintainence of upscale and Luxury hotel property	Line by line consolidation	India	82.49%	82.49%	81.58%	N

31. Gratuity and other post-employment benefit plans

A. <u>Defined benefit plans - General Description</u>

The Company operates gratuity plan wherein every employee is entitled to a benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Amount recognised in statement of profit and loss

Net employee benefit expense recognized in the employee cost:

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Current service cost	**82.42**	74.24	58.02
Interest cost	**37.79**	32.68	28.90
Expenses recognised in the statement of profit and loss	**120.21**	106.92	86.92

Amount recognised in other comprehensive income

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
- change in financial assumptions	**(24.67)**	20.86	(12.38)
- experience variance (i.e. Actual experience vs assumptions)	**(13.87)**	2.98	8.58
- change in demographic assumption	**(1.77)**	-	-
Expenses recognised in the statement of profit and loss	**(40.31)**	23.84	(3.80)

Balance sheet

Benefit asset/ liability

Particulars	**As at 31 March 2018**	As at 31 March 2017	Year ended 01 April 2016
Present value of defined obligation	**566.65**	514.13	408.50

Changes in the present value of the defined benefit obligation are as follows:

Particulars	**31 March 2018**	31 March 2017	31 March 2016
Opening defined benefit obligation	**514.11**	408.49	362.22
Current service cost	**82.42**	74.24	58.02
Interest cost	**37.79**	32.68	28.90
Benefits paid	**(27.39)**	(25.14)	(36.85)
Actuarial (gain)/ loss on obligation	**(40.31)**	23.84	(3.80)
Closing defined benefit obligation	**566.62**	514.11	408.49

Fair value of plan assets

	March 31, 2018	March 31, 2017	April 1, 2016
Opening fair value of plan assets	**Nil**	Nil	Nil
Expected return	**N.A**	N.A	N.A
Contributions by employer	**Nil**	Nil	Nil
Benefits paid	**Nil**	Nil	Nil
Actuarial gains / (losses)	**Nil**	Nil	Nil
Closing fair value of plan assets	**Nil**	Nil	Nil

B. The principal assumptions used in determining gratuity and compensated absences are as follows:

(a) Economic assumptions

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017	Year ended 01 April 2016
Discount rate- Holding	**7.80%**	7.35%	8.00%
Inflation rate-Holding	**7.00%**	7.00%	7.00%
Discount rate- Subsidiary	**7.80%**	7.36%	8.00%
Inflation rate-Subsidiary	**7.00%**	5.50%	5.50%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

(b) Demographic assumptions

Particulars	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 01 April 2016
Superannuation age	**58-60 years**	58-60 years	58-60 years
Mortality table	**100% of IALM (2006-08)**	100% of IALM (2006-08)	100% of IALM (2006-08)
Formula used	**Projected unit cost (PUC) method**	Projected unit cost (PUC) method	Projected unit cost (PUC) method
Average remaining working life-Holding	**25.49 years**	25.68 years	26.07 years
Average remaining working life-Subsidiary	**22.47 years**	22.48 years	22.52 years

C. A quantitative sensitivity analysis for significant assumption as at 31 March is as shown below:

Holding Company

Assumptions	Sensitivity Level	Impact on defined benefit obligation
Discount rate:		
31 March 2018	**Increase of 0.50%**	**(19.00)**
	Decrease of 0.50%	20.62
31 March 2017	Increase of 0.50%	(18.22)
	Decrease of 0.50%	19.93
Future salary increases:		
31 March 2018	**Increase of 0.50%**	**20.68**
	Decrease of 0.50%	(19.22)
31 March 2017	Increase of 0.50%	19.90
	Decrease of 0.50%	(18.36)

Subsidiary Company

Assumptions	Sensitivity Level	Impact on defined benefit obligation
Discount rate:		
31 March 2018	**Increase of 0.50%**	**(7.21)**
	Decrease of 0.50%	8.11
31 March 2017	Increase of 0.50%	4.20
	Decrease of 0.50%	4.73
Future salary increases:		
31 March 2018	**Increase of 0.50%**	**8.13**
	Decrease of 0.50%	(7.30)
31 March 2017	Increase of 0.50%	4.79
	Decrease of 0.50%	(4.29)

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

D. Maturity profile of defined benefit obligation:

Particulars	31 March 2018	31 March 2017
Within the next 12 months (next annual reporting period)	**169.75**	172.79
Between 2 and 5 years	**63.44**	43.33
Between 5 and 10 years	**55.56**	89.19
Beyond 10 years	**277.90**	256.26
Total expected payments	**566.65**	561.57

The average duration of the defined benefit plan obligation at the end of the reporting period for holding company is 32.51 years (31 March 2017: 32.32 years).

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

The average duration of the defined benefit plan obligation at the end of the reporting period for subsidiary company is 22.47 years (31 March 2017: 22.48 years).

32. Commitments and Contingencies

A. Commitments

(a) Capital Commitment

Particulars	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 1 April 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**203.53**	185.59	67.98
Other Commitments		54.19	60.47
Amount payable to yes bank limited as facility arragement fee			1,200.00

(b) **Minimum lease payments for non-cancellable operating license:**

(i) Group as licensee

The group 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 for the period of 30 years at the Airport site for developing, designing, financing, constructing, owning, operating and maintaining an upscale and Luxury hotel property.

Lease payments of March 31, 2018: Rs.1028.80 lakhs (March 31, 2017: Rs.965.26 lakhs April 01, 2016: Rs.920.03 lakhs)

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

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(a) Not Later than one year	**1,084.97**	1,028.41	974.80
(b) Later than one year and not later than five years	**4,970.36**	4,711.23	4,465.63
(c) Later than five years	**26,022.48**	27,365.11	28,639.12

(ii) Group as licensor

The group has entered into sub licensing agreements for commercial spaces for both short term and long-term. Short term agreements are for the period of three years further renewable for two terms of three years at the option of the sub licensee and Long-term agreements are for the period of twenty four years further renewable for thirty years, at the option of sub licensee subject to the renewal of the DIAL Agreement.

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(a) Not Later than one year	**1,117.68**	923.40	871.72
(b) Later than one year and not later than five years	**1,266.17**	1,287.63	1,255.29
(c) Later than five years	**1,801.37**	2,009.74	2,118.50

B. Contingent liabilities

Contingent Liabilities not provided for in respect of:

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Duty saved against export obligation (refer Footnote (5) below)	**1,107.06**	1,391.33	2,198.42
Corporate guarantees on behalf of subsidiaries (refer Footnote (9) below)	**1,040.91**	1,563.65	2,296.92
Show cause Notice raised by service tax authorities and contested by the company. (refer Footnote (8) below)	**515.51**	515.51	515.51
Show cause Notice raised by service tax authorities and contested by the company. (refer Footnote (1) below)	**-**	40.38	40.38
Show cause Notice raised by Service Tax Authorities and contested by the company (refer Footnote (2) below)	**55.56**	-	-
Property tax demand (refer Footnote (3) below)	**606.80**	534.77	392.22

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Show cause Notice by Director of Revenue Intelligence(DRI) and contested by the company (refer Footnote (4) below)	**1678.11**	-	-
Stamp Duty matter (refer Footnote (7) below)	**-**	-	-
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	87.13
- Demand Notice raised for VAT Assessment FY 2012-13 and contested by the company.	**55.40**	55.40	-
- Demand Notice raised for VAT Assessment FY 2013-14 and contested by the company. (refer Footnote (6) below)	**12.22**	-	-
Consumer dispute redressal forum Mumbai – Guest compliant for forfeiture of event deposit	**16.38**	16.38	16.38

Footnotes:

(1) Company has received refund of Rs. 55.56 lakhs out of Rs. 95.94 lakhs towards the amount paid under protest for the Service Tax demand raised in earlier years. The petition is filed with Tribunal Authorities for refund of remaining amount and hence been included under “Loans and Advances” 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. Received the favorable order for Rs 40.38 lakhs on March 26th, 2018 from commissioner appeal. Company has filled refund request with the department.

(2). Company received notice from Principal Additional Director General, DGPM, Customs on December 27, 2017 towards service tax refund order of Assistant Commissioner amounting Rs 55.56 lakhs. Cross objection is raised that department issued refund order without examination and finding of unjust enrichment. Vide order dated April 18, 2018 Principal Additional Director Genera, DGPM set aside the refund order earlier passed by Assistant Commissioner and rejected our sanctioned refund amount of Rs 55.56 lakhs. The company has decided to file appeal with CESTAT against the said order.

(3) The Company has received property tax demand of Rs. 569.18 lakhs from Mumbai Municipal Corporate (“MMC”) based on capital value system which is retrospectively from April 01, 2010, out of which, we have already booked and paid Rs. 302.63 lakhs 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 ratable 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.

The Subsidiary Company had received Property Tax demand for the period 2009-10 to 2013-14 from South Delhi Municipal Corporation (SDMC) on 23/12/2013. The Subsidiary Company had challenged the said demand and had filed an appeal with the Hon'ble High Court of Delhi, inter alia on grounds of the jurisdiction of the SDMC and non provision of theinfrastructural services by the said authority. Based on interim order of the Hon'ble High Court of Delhi, the Subsidiary Company has paid and charged off Rs.33,911,689 (31 March 2017- Rs 26,707,943/- 01 April 2016- Rs 19,504,197/- during previous year) for the period July 2009 to March 2018 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. 33,830,270 (31 March 2017- Rs 26,626,524/- and 01 April 2016 Rs.12,566,636) (excluding interest at the rate of 1% per month which is leviable as per demand notice and will be finalised on the conclusion of assessment) for the period July 2009 to March 2018 is considered as contingent laibility."

(4) The company has received letter dated December 15, 2017 from Additional Director General of Foreign Trade (DGFT) advising the Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 19th, 2017 from Directorte of Revenue Intelligence (DRI) seeking the refund of duty of Rs 1200.21 lakhs towards the SFIS license availed, the Company has received stay order from Hon’ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing.The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon’ble Division Bench did not hold the Court and the matter has now been adjourned to August 09, 2018.

The Subsidiary Company has received letter dated 29/12/2017 from Additional Director General of Foreign Trade (DGFT)

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

advising the Company to refund the Served from India Scheme (SFIS) benefit for SFIS license issued dated 03/09/2014 & 04/12/2015 of Rs 47,790,461/- along with applicable interest.

Subsequently, the Subsidiary Company has received stay order from Hon'ble High Court of Delhi dated 18/01/2018 restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter is adjourned for next hearing on 09th August 2018.

(5) The Company is under obligation to export goods with in a period of six year from the date of issue of EPCG License issued in terms of para 5.2 of Foreign Trade Policy 2009-2014. As on the date of Balance Sheet, the company is under obligation to export goods worth Rs. 293.57 lakhs as at March 31, 2018 within the stipulated time as specified in the respective licenses.

The Subsidiary Company had imported certain capital goods under the EPCG Licenses obtained for imports. As against licensed imports, the Subsidairy Company has undertaken a future export obligation to earn additional foreign exchange which stands at Rs 8,172 lakhs as on 31st March 2018."

(6) The Company has received Notice of Demand of Rs 12.22 lakhs for Vat assessment for the FY 2013-14 dated March 17, 2018 from Deputy Commissioner of Sales tax. Against the said order , Company has filed an appeal on May 29,2018 before Joint Commissioner (Appeal) Sales tax.

(7) The Subsidiary Company 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 Subsidairy company, there are reasonable chances that there will not be any liability on Subsidiary company on account of the above as the Development Agreement with DIAL is in the nature of License. The Subsidiary Company has filed a writ petition before the Hon'ble High Court of Delhi (HC) and the HC has granted ex-parte interim stay.

(8) Company has received show cause cum demand notice of Rs 515.51 lakhs on October 16, 2012 from Service Tax authorities for the period FY 2007-08 to 2011-12 towards wrong classification of services provided by Hyatt & its affiliates . Department disallowed cenvat credit on Hyatt payments due to wrong classification. Company has filed detailed reply and contesting all the claims with Commissioner of Service Tax . Awaiting for the hearing.

(9) The Company executed corporate guarantees amounting to Rs. 28.35 Crores for and on behalf of Aria Hotels and Consultancy Services Pvt. Ltd. (subsidiary of the Company) for import of capital Goods under EPCG Scheme in favour of DGFT or Custom Authorities, out of which Corporate Guarantee amounting to Rs. 17.94 Crores has been released and corporate guarantees amounting to Rs. 10.41 Crores are pending till 31st March, 2018.

33. Related party transactions

(A) List of related parties:

(i) Key Management Personnel

- Mr. Sushil Kumar Gupta (Chairman & Managing Director)
- Mr. Sandeep Gupta (Executive Whole –Time Director)
- Mr. Sudhir Gupta (Executive Whole –Time Director)
- Mr. Rakesh Kumar Aggarwal(Chief Financial Officer)
- Mr. Vivek Jain (Company Secretary)
- Ms Nupur Garg (Company Secretary)
- Mr. Nikhil Sethi (Company Secretary) (till 12-09-2015)

(ii) Relatives of the Key Management Personnel

- Ms. Sukriti Gupta (Daughter of Mr. Sudhir Gupta, Executive Whole-Time Director)
- Mr. Sidharth Aggarwal (Son of Mr. Rakesh Kumar Aggarwal, CFO)

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

- Aria International Ltd.
- Eden Park Hotels Private Limited
- Bhasin & Co.
- Mettel Estates Private Limited
- Chaman Lal Gupta & Sons, HUF
- CLG Hotels and Resorts Private Limited

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

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

Name of related party	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 01 April 2016
Purchases/Services availed during the year:			
-Bhasin and Co.	**1.80**	1.80	1.79
- Mr. Sidharth Aggarwal	**4.95**	4.73	4.95
- Ms. Sukriti Gupta	**6.00**	6.00	6.00
- Mettel Estates Private Limited (Includes Finance Cost)	**-**	122.58	-
Sales/Services provided during the year:			
- Godfey Philips India Limited	**-**	-	11.87
Loan repaid during the year:			
- Mettel Estates Private Limited	**-**	10,000.00	-
- Mr Sushil Kumar Gupta	**-**	207.00	-
Loan received back:			
- Mr. Nikhil Sethi	**-**	-	4.40
Loan received:			
- Mettel Estates Private Limited	**-**	10,000.00	-
Legal and professional fees			
-Mr. Sidharth Aggarwal	**9.95**	7.82	5.40
Other expenses (paid)			
-Aria International Ltd.	**83.93**	69.14	75.47
Salary, wages and bonus			
Mr. Sandeep Gupta#	**198.64**	127.30	109.71
Mr. Rakesh Kumar Aggarwal	**58.86**	55.35	60.38
Ms. Nupur Garg	**19.04**	17.47	15.16
Mr. Sushil Kumar Gupta#	**149.98**	138.54	128.77
Mr. Sudhir Gupta#	**127.44**	119.09	110.11
Mr. Vivek Jain	**32.48**	30.47	12.11
Mr. Nikhil Sethi	**-**	-	24.34

includes employer contribution to provident fund and all taxable perquisites.

(C) Following are the balances oustanding as at year end:

Name of related party	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Accounts Payable			
Sushil Kumar Gupta	**-**	-	207.00

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: INR Nil, 1 April 2016: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(D) Compensation of key management personnel of the Company

Name of related party	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 01 April 2016
Short-term employee benefits	**586.43**	488.22	436.24
Total compensation paid to key management personnel	**586.43**	488.22	436.24

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

34. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars		Carrying value			Fair value		
		As at 31 March 2018	As at 31 March 2017	As at 1 April 2016	**As at 31 March 2018**	As at 31 March 2017	As at 1 April 2016
(A)	**Financial Assets**						
	Financial Assets measured at amortised cost						
	Investments	**826.85**	4.84	3.19	**826.85**	4.84	3.19
	Others	**194.86**	196.60	186.32	**194.86**	196.60	186.32
	Loans	**44.92**	101.31	61.04	**44.92**	101.31	61.04
	Trade Receivables	**2,203.77**	1,929.83	1,329.15	**2,203.77**	1,929.83	1,329.15
	Cash and cash equivalents	**2,781.38**	1,301.80	1,271.06	**2,781.38**	1,301.80	1,271.06
	Other bank balances	**1,348.41**	480.28	197.86	**1,348.41**	480.28	197.86
(B)	**Financial liabilities**						
	Financial liabilities measured at amortised cost						
	Borrowings	**79,200.80**	79,664.45	74,398.31	**78,811.28**	79,318.08	74,022.08
	Others	**2,018.10**	1,962.03	3,654.26	**2,018.10**	1,962.03	3,654.26
	Trade Payables	**2,662.05**	2,088.79	2,294.35	**2,662.05**	2,088.79	2,294.35

The management assessed that current portion of investments, cash and cash equivalents, other bank balances, trade receivable and others (it includes current portion of security deposits and interest accrued but not due) current borrowings, , unpaid dividend, trade payables, expenses payables and other payables of current nature approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

Security deposits given and received - The Group's security deposits (given and received) have been fair valued by applying DCF method using a discount rate representative of the group's current rate of borrowings. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs.

Unquoted investments in mutual funds - The fair value is calculated by using the publicly available net asset value (NAV) of the mutual funds as on reporting date. Net asset value (NAV) is a mutual fund's price per share which is calculated by dividing the total value of all the securities in its portfolio, less any liabilities, by the number of fund shares outstanding.

Floating rate borrowings - The carrying value and fair value of floating rate borrowings has been considered the same since the interest rate approximates its fair value.

35. Fair value hierarchy

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

A. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2018:

Particulars	Date of Valuation	Total	Fair value measurement using	
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Assets for which fair values are disclosed				
Investments	31 March 2018	826.85	-	826.85
Others	31 March 2018	194.86	-	194.86
Loan	31 March 2018	44.92	-	44.92
Trade Receivables	31 March 2018	2,203.77	-	2,203.77
Cash and cash equivalents	31 March 2018	2,781.38	-	2,781.38
Other bank balances	31 March 2018	1,348.41	-	1,348.41

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Particulars	Date of Valuation	Total	Fair value measurement using	
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Liabilties for which fair values are disclosed				
Borrowings	31 March 2018	78,811.28	-	78,811.28
Others	31 March 2018	2,018.10	-	2,018.10
Trade Payables	31 March 2018	2,662.05	-	2,662.05

There have been no transfers between Level 1 and Level 2 during the period.

B. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2017:

Particulars	Date of Valuation	Total	Fair value measurement using	
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Assets for which fair values are disclosed				
Investments	31 March 2017	4.84	-	4.84
Others	31 March 2017	196.60	-	196.60
Loan	31 March 2017	101.31	-	101.31
Trade Receivables	31 March 2017	1,929.83	-	1,929.83
Cash and cash equivalents	31 March 2017	1,301.80	-	1,301.80
Other bank balances	31 March 2017	480.28	-	480.28
Liabilties for which fair values are disclosed				
Borrowings	31 March 2017	79,318.08	-	79,318.08
Others	31 March 2017	1,962.03	-	1,962.03
Trade Payables	31 March 2017	2,088.79	-	2,088.79

There have been no transfers between Level 1 and Level 2 during the period.

C. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 01 April 2016:

Particulars	Date of Valuation	Total	Fair value measurement using	
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)
Assets for which fair values are disclosed				
Investments	01 April 2016	3.19	-	3.19
Others	01 April 2016	186.32	-	186.32
Loan	01 April 2016	61.04	-	61.04
Trade Receivables	01 April 2016	1,329.15	-	1,329.15
Cash and cash equivalents	01 April 2016	1,271.06	-	1,271.06
Other bank balances	01 April 2016	197.86	-	197.86
Liabilties for which fair values are disclosed				
Borrowings	01 April 2016	74,022.08	-	74,022.08
Others	01 April 2016	3,654.26	-	3,654.26
Trade Payables	01 April 2016	2,294.35	-	2,294.35

There have been no transfers between Level 1 and Level 2 during the period.

36. Financial risk management objectives and policies

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

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

Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2018, 31 March 2017 and 01 April 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2018.

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

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

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018, 31 March 2017 and 01 April 2016.

Interest rate risk

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

	Increase / Decrease in basis point	Effect on profit before tax
		INR Lakhs
31-Mar-18	**+50%**	**41.39**
	-50%	**-41.39**
31-Mar-17	+50%	44.97
	-50%	-44.97

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

	Change in USD rate	Effect on profit before tax	Equity Net of tax
		INR Lacs	INR Lacs
31-Mar-18	**+5%**	**32.15**	**27.15**
	-5%	**-32.15**	**-27.15**
31-Mar-17	+5%	24.59	22.06
	-5%	-24.59	-22.06

Credit risk

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

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Trade receivables:

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6. The Group does not hold collateral as security.

Financial instruments and cash deposits

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

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2018, 31 March 2017 and 01 April 2016 is the carrying amounts.

Liquidity risk

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

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

	On demand	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs	INR lacs
Year ended 31 March 2018						
Borrowings	161.62	118.17	355.53	11,255.17	65,810.35	77,700.84
Trade payables	-	2,662.05	-	-	-	2,662.05
Other financial liabilities	14.06	1,561.73	580.21	67.10	213.67	2,436.77
	175.68	**4,341.95**	**935.74**	**11,322.27**	**66,024.02**	**82,799.66**
Year ended 31 March 2017						
Borrowings	403.90	763.39	201.84	7,397.09	69,397.93	78,164.15
Trade payables	-	2,088.79	-	-		2,088.79
Other financial liabilities	-	1,355.36	1,083.78	253.12	-	2,692.26
	403.90	**4,207.54**	**1,285.62**	**7,650.21**	**69,397.93**	**82,945.20**
As at 1 April 2016						
Borrowings	1,285.91	308.73	805.41	16,108.13	56,439.72	74,947.91
Trade payables	-	2,294.35	-	-	-	2,294.35
Other financial liabilities	-	1,972.93	2,152.38	254.42	-	4,379.73
	1,285.91	**4,576.01**	**2,957.79**	**16,362.55**	**56,439.72**	**81,621.99**

37. Capital management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 85% and 89%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Total outstanding liability(A)	**97,939.59**	97,357.95	96,129.36
Total net worth(B)	**12,614.11**	13,564.63	16,200.22
Gearing ratio (A)/(B) (%)	**88.59%**	87.77%	85.58%

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

38. Unhedged foreign currency exposures

(i) Particulars of unhedged foreign currency exposures as at the reporting date

Particulars	**March 31, 2018**		March 31, 2017		April 1, 2016	
	Amount (INR)	**Foreign currency**	Amount (INR)	Foreign currency	Amount (INR)	Foreign Currency
Advance Receivable	**13.89**	**USD 21350**	29.20	USD 45048	0.00	0.00
Trade Payables	**656.93**	**USD 1009720.99**	519.14	USD 801013.96	619.39	USD 926925

39. SEGMENT INFORMATION

Information regarding Primary Segment Reporting as per Ind AS-108

The Company is engaged in only one segment of Hotel business. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statements themselves as at and for the financial year ended 31 March 2018.

40. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the group is given below:

Particulars	**As at 31 March 2018**	As at 31 March 2017	As at 01 April 2016
Amount due and Payable at the year end			
- Principal	**13.84**	2.67	1.78
- Interest on above Principal	**-**	-	-
Payments made during the year after the due date			
- Principal	**-**	-	-
- Interest	**-**	-	-
Interest due and payable for principals already paid	**-**	-	-
Total Interest accrued and remained unpaid at year end	**-**	-	-

41. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

(a) Ind AS 115 Revenue from contracts with customers

Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services. Ind AS 115 is effective for the Group in the fiscal year 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

The Group continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The Group has established an internal team to implement Ind AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and processes, effect on financial statements and additional disclosure requirements that may be necessary. A reliable estimate of the quantitative impact of IND AS 115 on the financial statements will only be possible once the implementation project has been completed.

(b) Amendments to Ind AS 12 Recognition of deferred tax assets for unrealised losses

The amendments clarify that the Group needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how the Group should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The Group is required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. The Group applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. The Group is currently evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

(c) Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the Group must determine the transaction date for each payment or receipt of advance consideration.

The Group may apply the Appendix requirements on a fully retrospective basis. Alternatively, the Group may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the Group first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the Group first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. The Group is currently evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

(d) Transfers of investment property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

The amendments are effective for annual periods beginning on or after 1 April 2018. However, this standard is not applicable on the Group.

(e) Ind AS 28 Investments in associates and joint ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

- The Group that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If the Group, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from 1 April 2018. However, this standard is not applicable on the Group"

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 42 (I)

All amounts in Rs. (lakhs), except otherwise stated

(a) Reconciliation of balance sheet as at April 01, 2016 (date of transition to IND AS)

All amounts in Rs. (lakhs), except otherwise stated

	Footnote	Indian GAAP	IndAS Adjustment	IND AS
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	(e)	94,223.62	1,331.24	95,554.86
(b) Other Intangible Assets		224.51	-	224.51
(c) Capital work-in-progress		954.82	-	954.82
(d) Financial Assets				-
(i) Loans	(a)	12,885.10	(12,698.78)	186.32
(e) Other non-current assets	(a)	-	10,989.25	10,989.25
(f) Non Current Tax Assets (Net)		868.21	-	868.21
(2) Current assets				-
(a) Inventories		800.59	-	800.59
(b) Financial Assets				-
(i) Investments		3.19	-	3.19
(ii) Trade Receivables		1,329.15	-	1,329.15
(iii) Cash and cash equivalents		1,271.06	-	1,271.06
(iv) Bank balances other than (iii) above		197.86	-	197.86
(v) Loans		61.04	-	61.04
(c) Other current assets	(a)	1,568.93	223.74	1,792.64
Total Assets		**1,14,388.08**	**(154.55)**	**1,14,233.50**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		1,145.83	-	1,145.83
(b) Other Equity		16,311.89	(1,257.50)	15,054.39
(c) Non Controlling interest		1,903.92	-	1,903.92
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	(d)	72,762.57	(402.59)	72,359.98
(ii) Others	(b)	10,720.33	(10,332.43)	387.90
(b) Provisions	(c)	362.11	-	362.11
(c) Deferred tax liabilities (Net)	(f)	2,690.46	2.22	2,692.68
(d) Other non current liabilities	(b) & (e)	-	11,667.18	11,667.18
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	(d)	734.74	26.37	761.11
(ii) Trade Payables		2,294.35	-	2,294.35
(iii) Other		4,123.75	43.62	4,167.36
(b) Other current liabilities	(b)	1,051.81	236.47	1,288.28
(c) Provisions	(c)	286.32	(137.89)	148.41
Total Equity and Liabilities		**1,14,388.08**	**(154.55)**	**1,14,233.50**

As per our report of even date

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

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

SUSHIL KUMAR GUPTA
Chairman & Managing Director
DIN : 00006165

SANDEEP GUPTA
Executive (Whole Time) Director
DIN 00057942

RAKESH KUMAR AGGARWAL
Chief Financial Officer
PAN No. : AAAPA3338D

VIVEK JAIN
Company Secretary
Membership No. : FCS - 7204

Place : New Delhi
Dated : May 30, 2018

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 42 (I)

(b) Reconciliation of balance sheet as at March 31, 2017

All amounts in Rs. (lakhs), except otherwise stated

	Footnote	Indian GAAP	IndAS Adjustment	IND AS
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	(e)	90,948.78	1,134.46	92,083.24
(b) Capital work-in-progress		872.18	-	872.18
(c) Other Intangible Assets		175.15	-	175.15
(d) Financial Assets				
(i) Loans	(a)	12,890.23	(12,693.63)	196.60
(e) Other non-current assets	(a)	1,120.27	10,673.83	11,794.10
(f) Non Current Tax Assets (Net)		723.86	-	723.86
(2) Current assets				
(a) Inventories		829.37	-	829.37
(b) Financial Assets				
(i) Investments		4.84	-	4.84
(ii) Trade Receivables		1,929.83	-	1,929.83
(iii) Cash and cash equivalents		1,301.80	-	1,301.80
(iv) Bank balances other than (iii) above		480.28	-	480.28
(v) Loans		101.30	-	101.31
(c) Other current assets	(a)	1,373.00	315.50	1,688.50
Total Assets		1,12,750.89	(569.84)	1,12,181.06
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		1,145.83	-	1,145.83
(b) Other Equity		13,555.28	(1,136.48)	12,418.80
(c) Non Controlling interest		1,326.12	(67.65)	1,258.47
LIABILITIES				-
(1) Non-current liabilities				-
(a) Financial Liabilities				-
(i) Borrowings	(d)	76,801.23	(346.36)	76,454.87
(ii) Others	(b)	10,788.64	(10,306.39)	482.25
(b) Provisions	(c)	472.78	-	472.78
(c) Deferred tax liabilities (Net)	(f)	2,439.56	274.48	2,714.04
(d) Other non current liabilities	(b) & (e)	-	10,768.69	10,768.69
(2) Current liabilities				-
(a) Financial Liabilities				-
(i) Borrowings		403.90	-	403.90
(ii) Trade Payables		2,088.79	-	2,088.79
(iii) Other		2,195.24	243.87	2,439.11
(b) Other current liabilities		1,350.73	-	1,350.73
(c) Provisions	(c)	182.80	-	182.80
Total Equity and Liabilities		1,12,750.89	(569.84)	1,12,181.06

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Note 42 (I)

(c) Reconciliation of statement of profit and loss for the year ended March 31, 2017

All amounts in Rs. (lakhs), except otherwise stated

		Footnote	Indian GAAP	IndAS Adjustment	IND AS
I	Revenue From Operations (gross)		36,432.28	-	36,432.28
II	Other Income	(b) & (e)	758.44	1,013.90	1,772.34
III	Total Income (I+II)		37,190.72	1,013.90	38,204.62
IV	EXPENSES				
	Consumption of provisions, beverages, smokes and others		4,003.07	-	4,003.09
	Excise duty on sale of goods		-		
	Employee Benefit Expenses	(c)	5,879.13	(27.99)	5,851.14
	Finance Cost	(a)	10,114.36	54.34	10,168.70
	Depreciation and amortization expense		5,291.73	197.00	5,488.73
	Other Expenses		15,454.09	307.05	15,761.14
	Total expenses (IV)		40,742.38	530.40	41,272.80
V	Profit/(loss) before tax (III-IV)		(3,551.66)	483.50	(3,068.18)
VI	Tax expense:				
	(1) Current tax		34.32		34.32
	(2) Income tax adjustment related to earlier years		(0.66)		(0.66)
	(3) Deferred tax (credit)/ charge	(f)	(250.90)	272.26	21.36
	(4) Deferred tax credit related to earlier years				
VII	Profit/(loss) for the period (V+ VI)		(3,334.42)	211.24	(3,123.20)
VIII	Other Comprehensive Income/(Loss)				
	A (i) Items that will not be reclassified to profit or loss		-	(15.26)	(15.26)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(23.83)	(23.83)
	B (i) Items that will be reclassified to profit or (loss)		-	8.57	8.57
	(ii) Income tax relating to items that will be reclassified to profit or (loss)				
IX	Total Comprehensive Income for the period (VII+VIII)		(3,334.42)	195.98	(3,138.46)

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

Place : New Delhi
Dated : May 30, 2018

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

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

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

All amounts in Rs. (lakhs), except otherwise stated

Note 42 (II)

(II) Reconcilitions

(a) Equity Reconciliation statement

Particulars	Notes	As at 31 March 2017		As at 01 April 2016	
Amount of Equity Under IGAAP (Net Assets)			14,701.09		17,457.72
Add:					
Adjustments relating to Financial Instrument:					
- EPCG income recognition	e	720.00			
- Amortisation of long term borrowings on effective interest rate	d	-		6.16	
- Proposed Dividend reversal	h	-	720.00	137.91	144.07
Less:					
Adjustments relating to Financial Instrument:					
- Adjustments relating to financial instrument- security deposit, property plant and equipments and others	a	951.46		(989.33)	
- EPCG License treated as revenue grant	e	606.83		(410.02)	
- Borrowings adjustments	d	23.69		-	
- Taxes on above adjustment	f	274.48	(1,856.46)	(2.22)	(1,401.57)
Amount of Equity Under Ind AS			**13,564.63**		**16,200.22**

(b) Profit reconciliation statement:

Particulars	Notes	For the year ended 31 March 2017	
Profit / (loss) after tax as per Indian GAAP for the year ended			(2,815.68)
Less : Adjustments relating to Financial Instrument			
- Adjustments relating to financial instrument- security deposit, property plant and equipments and others	(a) & (b)	25.42	
- Tax Adjustments	(f)	(261.88)	
- EPCG Adjustments	(e)	523.19	
- Borrowings Adjustments	(d)	(29.87)	256.86
Total comprehensive income as per Ind AS			**(2,558.82)**

(III) Footnotes to the reconciliation of equity as at 1 April 2016 and 31 March 2017 and profit or loss for the year ended 31 March 2017:

a. Security deposit paid and Prepaid rent

(i) Under Indian GAAP, the security deposits have been recorded at transaction value however under Ind AS security deposit paid, being a financial asset, has been recorded initially at fair value and subsequently at amortised cost.

(ii) Recording of security deposit under Ind AS, initially at fair value gives rise to a differential between transaction value and fair value which has been recognised at prepaid rent. Under Indian GAAP no such prepaid rent was recorded."

b. Security deposit taken and Deferred income

(i) Under Indian GAAP, the security deposits have been recorded at transaction value however under Ind AS security deposit taken, being a financial liability, has been recorded initially at fair value and subsequently at amortised cost.

(ii) Recording of security deposit under Ind AS, initially at fair value gives rise to a differential between transaction value and fair value which has been recognised at deferred rental income. Under Indian GAAP no such deferred rental income was recorded.

c. Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost is reduced and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI net of tax.

d. Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings were capitalised to Property, plant and equipment. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

e. EPCG license

The Company utilises EPCG license to save from import duty on various items of property, plant and equipment. Under Indian GAAP, the amount of benefit availed by the Company pursuant to EPCG license scheme was reduced from the cost of respective property, plant and equipment.

Under Ind AS, the amount of import duty saved has been accounted for as revenue government grant and accordingly, deferred subsidy has been recognised in the books of accounts.

f. Deferred Taxes:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. However, since there is no reasonable certainity of future taxable profits in forseable future, no deferred tax asset has been recognised on Ind AS transitional adjustments.

g. Other comprehensive income

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

h. Proposed Dividend

Under Indian GAAP, proposed dividends including DDT are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In case of the Company, the liability relating to proposed dividend (including dividend distribution tax) has been derecognised against retained earnings as at 1 April 2016.

43 . First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "previous GAAP").

Accordingly, the group has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the group’s opening balance sheet was prepared as at 1 April 2016, the group’s date of transition to Ind AS. This note explains exemptions availed by the group in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions applied:

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

(a) Property, plant and equipment and intangible assets

Since there is no change in the group's functional currency on the date of transition to Ind ASs, it has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

(b) Investment in subsidiary

The holding company has elected to continue with the carrying values of its investments in subsidiaries as at 1 April 2016 as deemed cost at the date of transition. Investment in subsidiaries have been carried in the statement of financial position in accordance with previous GAAP as of 31 March 2017.

Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items wherezapplication of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model.

The estimates used by the group to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

44. The Subsidiary Company had entered into an Investment Agreement with investors [IL&FS Trust Company Limited, Mumbai (IL&FS Trust) and IIRF India Realty XVI Limited, Mauritius (IIRF India)], Asian Hotels (West) Limited (Holding Company - AHWL) and the Promoters dated June 17, 2010, wherein 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. The CCPS have a coupon rate Of 0.01% pa. and have term of 6 years from the date of issuance. Subject to the provisions of Investment Agreement, statutory and other approvals, if any, AHWL and the Company 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 AHWL or swap of investors securities with equity shares of AHWL, not exceeding 14 % of the issued and paid up equity share capital of AHWL, on a fully diluted basis. The Company 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 previous year, Ist tranche of 53,717 CCPS held by one of the investors of the company i,e. IL&FS as 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 as per the provisions of clause 1(4) of Schedule 2 of the Investment Agreement. Simultaneously, 3,861,538 CCPS held by AHWL have been converted into same number of equity shares of the Company in the ratio of 1:1. However, the conversion and allotment of Ist 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 statutory filing of return of aforesaid allotments with registrar of companies and issue of equity share certificate to IL&FS Trust is pending as of date.

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 direction of Hon'ble High Court of Delhi to maintain status quo in the matter as of date for both tranches of CCPS, the conversion of remaining tranches of CCPS of investors into equity could not be given effect. Accordingly, no Ind AS adjustments of CCPS have been made in view of Hon'ble Delhi High Court' order to maintain the status quo and the same is continued to be carried as equity in subsidiary company's Ind AS financial statements.

In view of the above facts, the group 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.

45. Statutory Group Information

As at March 31, 2018

	Net Assets i.e, total assets minus total liabilites		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
Name of the Entity in the group	**Amount**	**As % of Consolidated net assets**	**Amount**	**As % of Consolidated profit and loss**	**Amount**	**As % of Consolidated other comprehensive income**	**Amount**	**As % of Consolidated total comprehensive income**
Parent								
Asian Hotels (West) Limited	2,628.44	19.33%	(469.36)	41.34%	(19.01)	68.95%	(488.37)	41.99%
Indian Subsidiary								
Aria Hotels and Consultancy Services Pvt Ltd	9,985.67	73.42%	(393.70)	34.67%	(8.56)	31.05%	(402.26)	34.59%
Subtotal	12,614.11	92.75%	(863.06)	0.76	(27.57)	100%	(890.63)	76.58%
Non-controlling interest	986.05	7.25%	(272.42)	23.99%	-	-	(272.42)	23.42%
Total equity	13,600.15	100%	(1,135.48)	100%	(27.57)	100%	(1,163.05)	100%

NOTES TO CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

As at March 31, 2017

	Net Assets i.e, total assets minus total liabilites		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
Name of the Entity in the group	**Amount**	**As % of Consolidated net assets**	**Amount**	**As % of Consolidated profit and loss**	**Amount**	**As % of Consolidated other comprehensive income**	**Amount**	**As % of Consolidated total comprehensive income**
Parent								
Asian Hotels (West) Limited	3,085.80	20.82%	(732.55)	23.46%	17.35	114%	(749.90)	23.90%
Indian Subsidiary								
Aria Hotels and Consultancy Services Pvt Ltd	10,478.82	70.69%	(1,811.02)	57.99%	(2.08)	-14%	(1,808.94)	57.64%
Subtotal	13,564.62	91.51%	(2,543.57)	81.45%	15.27	100%	(2,558.83)	81.54%
Non-controlling interest	1,258.47	8.49%	(579.44)	18.55%	-	-	(579.44)	18.46%
Total equity	14,823.09	100%	(3,123.01)	100%	15.27	100%	(3,138.28)	100%

As per our report of even date

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

FOR S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

PER ATUL SEKSARIA
Partner
Membership No.:086370

SUSHIL KUMAR GUPTA
Chairman &
Managing Director
DIN : 00006165

SANDEEP GUPTA
Executive
(Whole Time) Director
DIN 00057942

RAKESH KUMAR AGGARWAL
Chief Financial Officer
PAN No. : AAAPA3338D

VIVEK JAIN
Company Secretary
Membership No. : FCS - 7204

Place : New Delhi
Dated : May 30, 2018

Notes

Notes

Notes

ASIAN HOTELS (WEST) LIMITED
CIN: L55101DL2007PLC157518
Regd. Office : 6th Floor, Aria Towers, J.W. Marriott, New Delhi, Aerocity,
Asset Area 4, Hospitality District, Near IGI Airport, New Delhi - 110 037
Phone : 91 11 4610 1210; Fax : 91 11 4159 7321; Website: www.asianhotelswest.com