

# ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India

Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 [www.ahleast.com](http://www.ahleast.com)

CIN: L15122WB2007PLC162762

2<sup>nd</sup> August, 2017

<b>The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Tel: (022 2272 8013) Fax: (022 2272 3121)</b>	<b>The Manager Listing Department National Stock Exchange of India Ltd. Exchange Plaza Plot No. C/1, G Block, Bandra – Kurla Complex Bandra (E), Mumbai – 400 051 Tel: (022) 2659 8235/36 Fax: (022) 2659 8237/38</b>
<b>Type of Security: Equity shares Scrip Code : 533227</b>	<b>Type of Security: Equity shares NSE Symbol : AHLEAST</b>

Madams/ Sirs,


Sub: Submission of Annual Report under Regulation 34 of the Listing Regulations, 2015

In accordance with Regulation 34 of the Listing Regulations, please find attached the copy of Annual Report of the Company for the Financial Year 2016-17, which was approved and adopted by the members at their 10<sup>th</sup> Annual General Meeting of the Company held on Friday, 28<sup>th</sup> July, 2017 at 4:00 p.m. at its Registered Office at Hyatt Regency Kolkata, JA-1, Salt Lake City, Sector –III, Kolkata-700098, West Bengal, India.

Thanking You.

Yours truly,

For Asian Hotels (East) Limited

  
Saumen Chatterjee  
Chief Legal Officer &  
Company Secretary

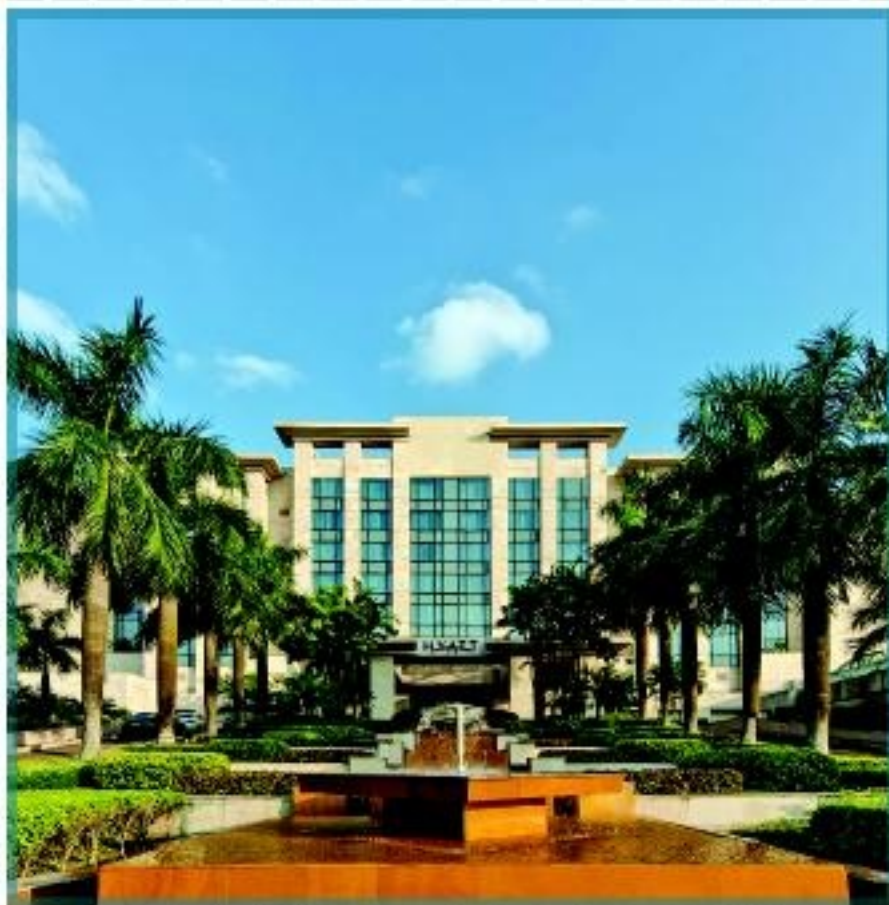


Encl: as above

OWNER OF



**HYATT  
REGENCY™**  
KOLKATA



# **ASIAN HOTELS (EAST) LIMITED**

10th Annual Report and Accounts 2016 -17



● Hyatt Regency Kolkata



● Hyatt Regency Chennai

## **BOARD OF DIRECTORS**

Radhe Shyam Saraf	—	Chairman
Arun K. Saraf	—	Joint Managing Director
Umesh Saraf	—	Joint Managing Director
A. C. Chakrabortti	—	Independent Director
Rama Shankar Jhawar	—	Independent Director
Padam Kumar Khaitan	—	Independent Director
Rita Bhimani	—	Independent Director

## **CFO & VICE PRESIDENT – CORPORATE FINANCE**

Bimal Kumar Jhunjhunwala

## **CHIEF LEGAL OFFICER & COMPANY SECRETARY**

Saumen Chatterjee

## **AUDITOR**

S. S. Kothari Mehta & Co.  
Chartered Accountants  
21, Lansdowne Place  
4th Floor, Kolkata - 700 029, W.B., India

## **BANKERS**

IDBI Bank Limited  
ICICI Bank Ltd.  
Standard Chartered Bank  
State Bank of India  
HDFC Bank Limited

## **REGISTERED OFFICE**

Hyatt Regency Kolkata  
JA-1, Sector-III, Salt Lake City  
Kolkata - 700 098, W. B., India  
Tel. No. 033-2517 1009/1012  
Fax No. 033-2335 8246  
www.ahleast.com  
CIN: L15122WB2007PLC162762

## **REGISTRAR & SHARE TRANSFER AGENT**

Karvy Computershare Private Limited  
Karvy Selenium Tower B  
Plot No. 31 & 32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032, Telangana, India  
Tel : +91 40 23312454  
Fax No. 040-23420814  
E-mail: mailmanager@karvy.com

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## **DIRECTORS' REPORT**

### **To the Members,**

Your Directors have pleasure in presenting the 10<sup>th</sup> Annual Report of the Company together with the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2017.

### **FINANCIAL HIGHLIGHTS**

Your Company's performance for the year ended 31<sup>st</sup> March, 2017 is summarised as under:

<b>Particulars</b>	<b>Standalone (Rs. in lacs)</b>		<b>Consolidated (Rs. in lacs)</b>	
	<b>2016-17</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2015-16</b>
Gross Revenue	9,831.79	9,809.26	19,521.30	19,273.40
Profit before tax (after exceptional item)	1,688.94	1,523.77	51.72	(611.59)
Tax Expenses (including Deferred Tax)	393.16	100.63	393.15	100.64
Profit after Tax	1,295.78	1,423.14	(341.43)	(712.23)
Other Comprehensive Income	227.91	3.04	216.05	(13.66)
Total Comprehensive Income	1,523.69	1,426.18	(125.38)	(725.89)

### **TRANSFER TO RESERVES**

During the financial year 2016-17 an amount of Rs. 150 lacs (Rs. 150 lacs last year) has been transferred to General Reserve out of amount available for appropriations.

### **DIVIDEND**

The Board of Directors are pleased to recommend a dividend of Rs. 2.00/- per equity share (previous year Rs. 2/- per equity share) on 11,527,797 equity shares of Rs. 10/- each for the year ended 31<sup>st</sup> March, 2017. The total cost to the Company on account of dividend payment will be Rs. 230.55 lacs including dividend distribution tax of Rs. 46.94 lacs resulting in a payout of 21.42% of the standalone profits after tax of the Company.

### **BUSINESS OVERVIEW AND OPERATING PERFORMANCE/ STATE OF COMPANY'S AFFAIRS**

During the Financial Year 2016-17, Hyatt Regency, Kolkata (the hotel) maintained top position in occupancy & enhanced its rank from the last year on RevPAR level in its market segment and has been successful in securing major project based business. It sustained its leading position in weddings and has been the most sought after wedding destination. Your Board is aware of the severe competition from the new hotels in the market segment that have already come up and is about to start commissioning in Kolkata in the current financial year ending 2017-18. In spite of the new challenges and competition, your hotel has been able to retain its market share and maintained its operating revenues. Your hotel is geared up with marketing, competitive strategy, branding to take up new challenges and has already taken sustainability initiatives to emphasize its core strength in terms of service quality, brand loyalty to attract guests in likely to be a very competitive environment.

New hotels opening in the city had a major impact on the pricing politics of your hotel as their pricing strategy in the beginning was very aggressive and put all the existing hotels in Kolkata under pressure. Considering the influx in supply which your Company is anticipating in the year 2017-18, adding value to our customer experience is becoming crucial. This is measured by the hotel online surveys, where the hotel could achieve in 2016-17 a 57.6% in Customer Service NPS. Satisfaction of the hotel's customers was the satisfaction index for the hotel which was at a very high rate with 4.69 since two years measured by Gallup and also for the "Great places to work" resulted Hyatt Regency, Kolkata achieving together with Hyatt India a ranking under the top 10.

During the financial year 2016-17, there were no material changes and commitments affecting financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements and the report relates. Further, there has been no change in the nature of business of the Company.

### **FINANCE AND ACCOUNTS**

As mandated by the Ministry of Corporate Affairs vide its notification in the Official Gazette dated 16<sup>th</sup> February, 2015, the Company has adopted the IND AS for the financial year commencing from 1<sup>st</sup> April, 2016 which has replaced the existing GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profit and cash flows for the year ended 31<sup>st</sup> March, 2017.

## *Asian Hotels (East) Limited*

### **SUBSIDIARY COMPANIES**

The Company has two subsidiaries, namely, GJS Hotels Limited, a wholly owned and a material non-listed Indian Subsidiary and Regency Convention Centre and Hotels Limited, a wholly owned and a material non-listed Indian Subsidiary and one step-down subsidiary, namely Robust Hotels Private Limited. There has been no significant developments in the matters concerning the subsidiaries during the year under review.

With reference to GJS Hotels Limited, the Company continues to engage in dialogue with the Government of Odisha for the hotel project. Considering the luxury branded hotel market scenario of Bhubaneswar, Odisha, the Company has been exploring various business models for its hotel project and is taking a cautious step, keeping in mind the interest of the stakeholders concerned, return of investments, payback period and other related factors. The Company is hopeful of striking a business model which suits the Company and its stakeholders. Further, during the year under review, the loan amount of Rs. 205 Crores was invested in Robust Hotels Private Limited, Chennai through GJS Hotels Limited. An amount of Rs. 50 Crores was repaid by them.

With reference to Regency Convention Centre and Hotels Limited, during the year, your subsidiary has been exploring opportunities to settle the disputes amicably with the Airports Authority of India (AAI). Your Board is hopeful of a positive outcome.

Robust Hotels Private Limited (Robust) at Chennai has shown improved performance during the year under review. Revenue has increased to Rs. 98.05 crores as against Rs. 95.07 crores in the previous year. The delay in completion of metro rail work, uncertain political climate in the State has impacted the normal market conditions and hence the Company could achieve only a marginal growth during the year under review. Room occupancy has increased to 69% as compared 67% in the previous year. EBDITA has increased to Rs. 26.73 crores from Rs. 25.18 crores. The turnover has increased by 3.13% and where as the EBDITA of the company has improved by 6.15%. Your directors are hopeful of better performance of Robust in the current financial year.

This improved result was achieved, despite the loss suffered due to major calamity witnessed by Chennai by the Varda Cyclone in December 2016 which caused severe damages to the façade of the hotel thus affected the customer sentiments/business. Necessary actions were taken in regard to the same.

However, on balance, the Directors were hopeful that the above trend of improvement would continue in the current year. The recent ban on liquor sale within 500 meters of National and State Highways affected the hotel Hyatt Regency, Chennai which was categorized as being located within the parameters prescribed by the Hon'ble Supreme Court in its ruling dated 15<sup>th</sup> December, 2016. Unfortunately, the ban has really affected the business of hotel Hyatt Regency, Chennai since April 2017 as the Madras High Court has stayed the proposal of Government of Tamil Nadu denotifying State Highways falling within the city limit. It was unimaginable that the hotel, located in the prime spot on the main road in Chennai, would fall under the above ban which will restrict sale of liquor to customers. Unless this untoward ban is withdrawn, the Hotel's result for the current year will remain uncertain. This is serious matter of concern in regard to future F&B business of the hotel.

In terms of proviso to sub section (3) of Section 129 of the Companies Act, 2013, a report on the performance and financial position of each of the subsidiaries of the Company in Form AOC-1 is annexed herewith marked as **Annexure I** to this Report.

Neither of your subsidiary company has ceased to be subsidiaries during the year nor any become the new subsidiary company during the financial year. Your Company does not have any holding company and associate company during the financial year under review.

The Consolidated Financial Statements of the Company are prepared in accordance with Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015 notified by the Ministry of Corporate Affairs (MCA) on 16<sup>th</sup> February, 2015 and forms an integral part of this report.

### **AMALGAMATION**

In respect of the Scheme of Amalgamation (the Scheme) of Forex Finance Private Limited (FFPL) with your Company pursuant to the Sections 391-394 of the Companies Act, 1956, the Scheme was sanctioned by the High Court of Calcutta effective from 5<sup>th</sup> September, 2016. In consideration of the amalgamation, your Company issued and allotted 32,14,284 Equity Shares of Rs. 10/- each to the shareholders of FFPL and no consideration was paid for the amalgamation in terms of the Scheme.

### **SHARE CAPITAL**

The paid up Equity Share Capital of the Company as at 31<sup>st</sup> March, 2016 stood at Rs. 114,405,850/- divided into 11,440,585 equity shares of Rs. 10 each. During the year under review, your Company issued 32,14,284 equity shares without differential rights and 31,27,072 equity shares were cancelled due to cross holding in lieu of Scheme of Amalgamation. Thus, the Share Capital of the Company as on 31<sup>st</sup> March, 2017 stands at Rs. 115,277,970/- divided into 11,527,797 equity shares of Rs. 10 each.

### **SCHEME OF ARRANGEMENT**

During the year under review, the Company entered into a Scheme of Arrangement between the GJS Hotels Limited, Robust Hotels Private Limited, the Company and their respective shareholders. The Company has received Observation Letter from the Stock Exchanges so as to file the Scheme with the Hon'ble National Company Law Tribunal.

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

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the term of office of M/s. S.S. Kothari Mehta & Co., Chartered Accountants, (Firm Registration No. 000756N) as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company.

The Board of Directors places on record its appreciation to the services rendered by M/s. S.S. Kothari Mehta & Co., Chartered Accountants, as the Statutory Auditors of the Company during its tenure.

Subject to the approval of the Members and based on the recommendation of the Audit Committee of the Company, the Board of Directors of the company has recommended the appointment of M/s. Singhi & Co. (Firm Registration No. 302049E) as the Statutory Auditors of the Company (in place of M/s. S.S. Kothari Mehta & Co., Chartered Accountants, the retiring Auditors) for a term of five years commencing from the Company's financial year ending 31<sup>st</sup> March, 2018 to hold office from the conclusion of the 10<sup>th</sup> Annual General Meeting of the Company till the conclusion of the

## *Asian Hotels (East) Limited*

15<sup>th</sup> Annual General Meeting (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) pursuant to Section 139 of the Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

### **INTERNAL AUDITOR**

M/s. Saraf & Chandra, Chartered Accountants, has expressed its unwillingness to be appointed as an Internal Auditor of the Company for the financial year 2017-18. Your Board appreciated the services rendered by M/s. Saraf & Chandra, Chartered Accountants as an Internal Auditor of the Company during its tenure. Your Board considered to appoint M/s. S.S. Kothari Mehta & Co., Chartered Accountants (retiring Statutory Auditors of the Company) as the Internal Auditor of the Company for the financial year 2017-18.

Pursuant to Section 139 & 144 of the Companies Act, 2013, the present statutory auditor i.e., M/s S.S. Kothari Mehta & Co. holds office till the conclusion of the ensuing annual general meeting of the Company & could not render any other services directly or indirectly to the Company such as internal audit during such period. Hence, pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, your Board based on the recommendation of the Audit Committee, appointed M/s. Saraf & Chandra for conducting the internal audit for the first quarter ending on 30<sup>th</sup> June, 2017 till M/s S.S. Kothari Mehta & Co. ceases its office and further M/s S.S. Kothari Mehta & Co. was appointed to conduct office for a period of 9 months commencing from 1<sup>st</sup> July, 2017 till 31<sup>st</sup> March, 2018.

### **SECRETARIAL AUDITOR**

The Board has appointed M/s. D. Raut & Associates, Practicing Company Secretaries, to conduct Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2016-17. The Secretarial Audit Report in Form MR-3 for the financial year ended 31<sup>st</sup> March, 2017 is annexed herewith marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Company's Articles of Association, Mr. Arun Kumar Saraf (DIN: 00339772), Director retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

No Director or Key Managerial Personnel was appointed or resigned during the year. Details of Directors seeking re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms a part of the notice calling Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **BOARD EVALUATION AND NOMINATION AND REMUNERATION POLICY**

Pursuant to Section 134(3)(p), Schedule IV (VIII) of the Companies Act, 2013 and Regulation 17(10) and 19(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the performance evaluation of Directors, Board and Committee was done at three levels by the Independent Directors at a separate meeting, Nomination and Remuneration Committee and the Board. Firstly, the Board of Directors has carried out an annual evaluation of performance of independent directors, its own, the Committees and individual directors based on the evaluation marking by the Directors. Secondly, the independent directors of the Company at their meeting held on 31<sup>st</sup> March, 2017, carried out the evaluation of performance of the non-independent directors, the Board and the Chairman of the Company as per the prescribed criteria adopted by the Board at its meeting held on 30<sup>th</sup> October, 2015. Lastly, the Nomination and Remuneration Committee of the Company carried out evaluations as appropriate and whenever required as per the prescribed criteria adopted by the Board. The performance was evaluated by the Board on the basis of the criteria such as the composition of Board and Committee and structure, effectiveness of Board and committee processes, information and functioning. The performance was considered satisfactory. The Policy on performance evaluation of Directors can be accessed on the Company's website: [www.ahleast.com](http://www.ahleast.com). The Nomination & Remuneration Policy of the Company as recommended by Nomination and Remuneration Committee of the Company is annexed as **Annexure III** to this Report.

### **BOARD DIVERSITY**

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Board recognizes the importance of a diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity. The Board diversity policy is available on our website: [www.ahleast.com](http://www.ahleast.com).

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Sections 134(3)(c) and 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017 and state that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit or loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

## *Asian Hotels (East) Limited*

- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information required pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, pertaining to conservation of energy, technology absorption and foreign exchanges earning and outgo to the extent possible in the opinion of your Directors, is annexed hereto being **Annexure IV** and forming part of this Report. The Company's earnings and outgo in foreign exchange for the year under review were Rs. 2,079.67 lacs/Rs. 819.67 lacs respectively.

### **PARTICULARS OF EMPLOYEES**

As per Section 197(12) of the Companies Act, 2013 read with rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the top ten employees and employees drawing remuneration in excess of the limits set out in the said rules as amended are provided in **Annexure V** and forms a part of this Report.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

There were no contracts or arrangements entered into by the Company in accordance with the Section 188 of the Companies Act, 2013 and no material related party transactions in terms of Regulation 23 of the Listing Regulations. The disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. All related party transactions that were entered by the Company during the financial year were in the ordinary course of business and on arm's length basis. All related party transactions are presented to the Audit Committee and the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board can be accessed on the Company's website: [www.ahleast.com](http://www.ahleast.com). The details of the transactions with related parties are provided in the accompanying financial statements.

### **MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE**

Pursuant to Schedule V of Regulation 34(3) of the Listing Regulations, Report on Management Discussion and Analysis as **Annexure-VI** and Corporate Governance Report as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure-VII** and Compliance Certificate on Corporate Governance from the Company's Auditors are annexed to this Report.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As required under Section 135 of the Companies Act, 2013, during the financial year 2016-17, your Company has spent Rs. 32 lacs being 2% of average net profit of the Company made during three (3) immediately preceding financial years on M/s. R. K. Sipany Foundation, Bangalore, a trust which has an established track record of at least 3 years in carrying on CSR activities in related areas, have recently undertaken some hospital and healthcare projects and are going to build a charitable cancer hospital. The Annual Report on CSR activities is annexed and marked as **Annexure-VIII** to this report. The same is also displayed on the Company's website: [www.ahleast.com](http://www.ahleast.com).

Besides the above, Hyatt Regency, Kolkata (the hotel) has also been involved in many CSR activities under our "Hyatt Thrive" umbrella. The focus area during the year 2016 was supporting various NGOs towards making a better tomorrow. Hyatt Regency, Kolkata was announced as the proud supporter of winning USD 15000 under Hyatt Community Grants for NGO named Ek-Tara for project "Utkarsh" (e-learning programme). The grant is under process with the Ministry of India through NGO.

Total 23 candidates were trained under the government initiative "Hunar se rozgar" program to get an introduction to hospitality and for possible future employment.

Further the hotel also organized a blood donation Camp with the Terapanth Yuvak Parishad and also participated in various Marathon. During the Christmas time, the hotel celebrated "First Cake Bake" with Arunima Hospice which is house for HIV infected children.

Joy of Giving was celebrated with Jungle Crow and other NGOs where food and gifts were distributed. In association with "SHAKTI" a Wish Tree was placed in hotel both for guest and associates to fulfill various wishes of children from different organizations. A fund raising event was organized in Santushti and various other activities together helped us donate 177 hours of service in addition to monetary contribution in the entire calendar year of 2016.

### **INTERNAL FINANCIAL CONTROL POLICY AND ITS ADEQUACY**

The Board has adopted an Internal Financial Control Policy to be followed by the Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Audit Committee actively reviews and evaluates the internal financial control system periodically and suggests improvements to strengthen the same. The observation and comments of the Audit Committee are placed before the Board.

### **RISK MANAGEMENT**

Your Board reviews and observes risk management and minimization procedures followed by the Company which are adequate and operating effectively. The system established in the Company to identify, assess, manage, monitor and mitigate risk is considered sufficient and adequate. Risk Management is an integral part of the Company's business process. In your company, risks are carefully mapped and a risk management framework is involved. The Company has adopted Risk Management Policy at the meeting of the Board of Directors held on 10<sup>th</sup> February, 2017.



**DISCLOSURES:**

**A) EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company in form MGT-9, as required under Section 92 of the Companies Act, 2013 is annexed herewith as **Annexure-IX** to this Report.

**B) MEETINGS OF THE BOARD**

During the financial year 2016-17, the Board of Directors had five (5) meetings. These were held on 24<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 7<sup>th</sup> September, 2016, 9<sup>th</sup> December, 2016 and 10<sup>th</sup> February, 2017. The details in relation to attendance at the meetings are disclosed in the Corporate Governance section which forms a part of this report.

**C) COMPOSITION OF AUDIT COMMITTEE**

The Audit Committee comprises of three (3) Directors amongst which two (2) are Independent Non-Executive Directors, namely Mr. A. C. Chakrabortti and Mr. Rama Shankar Jhavar and one (1) is Joint Managing Director namely Mr. Umesh Saraf. All the recommendations made by the Audit Committee were accepted by the Board. The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

**D) VIGIL MECHANISM/WHISTLE BLOWER POLICY**

Pursuant to Section 177 of the Companies Act, 2013 read with Regulation 22 of the Listing Regulations, the Board of Directors at its meeting held on 30<sup>th</sup> October, 2015 has adopted a vigil mechanism/whistle blower policy of the Company. The policy provides a framework for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. Protected disclosures can be made by a whistle blower through an email or to the Chairman of the Audit Committee. The vigil mechanism/whistle blower policy can be accessed on the Company's website: [www.ahleast.com](http://www.ahleast.com).

**E) DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at workplace and has an Internal Complaints Committee to consider and redress complaints of sexual harassment & the Company also adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for the benefit of the employees. During the financial year 2016-17, the Company has received no complaints on sexual harassment.

**F) PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITY PROVIDED**

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

**G) PARTICULARS OF REMUNERATION**

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 as amended are provided in **Annexure-X** to this report.

**H) GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year 2016-17 under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. The Joint Managing Directors of the Company did not receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impacted the going concern status and Company's operations in future.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation towards all associates including customers, the Government of India, Government of West Bengal, Government Agencies, Hyatt Hotels Corporation, U.S.A., Bankers, Suppliers, Shareholders, Employees and others who have reposed their confidence in the Company.

For and on behalf of the Board of Directors

Kolkata  
25<sup>th</sup> May 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN : 00017985)

**Rama Shankar Jhavar**  
Director  
(DIN : 00023792)

**FORM AOC-1**

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

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

**Part "A": Subsidiaries**

(in ₹)

Sl. No.	Particulars			
1.	Name of the subsidiary	<b>GJS Hotels Limited</b>	<b>Regency Convention Centre and Hotels Limited</b>	<b>Robust Hotels Private Limited</b>
2.	The date since when subsidiary was acquired	31-10-2009	31-10-2009	26-07-2012
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR
5.	Share capital	10,96,10,000	15,53,570	1,54,17,38,290
6.	Reserves & surplus	1,33,82,93,065	(7,80,119)	1,68,10,51,705
7.	Total assets	4,67,81,50,205	1,93,81,065	6,07,81,10,461
8.	Total Liabilities (excluding share capital and Reserve & surplus)	3,23,02,47,140	1,86,07,614	2,85,53,20,466
9.	Investments (excluding investment in subsidiary)	-	-	4,13,94,844
10.	Turnover	23,05,33,192	-	98,73,97,485
11.	Profit/Loss before taxation	22,97,00,519	(1,51,545)	(39,32,70,371)
12.	Provision for taxation	-	-	-
13.	Profit/Loss after taxation	22,97,00,519	(1,51,545)	(39,32,70,371)
14.	Proposed Dividend	-	-	-
15.	% of shareholding	100%	58.99%	100%#

Note : (i) Turnover includes other Income.

(ii) The Company does not have any Associates and Joint Venture.

# 80.53 % held through GJS Hotels Limited.

For and on behalf of the Board of Directors

Kolkata  
25<sup>th</sup> May 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN : 00017985)

**Rama Shankar Jhavar**  
Director  
(DIN : 00023792)

**Form No. MR-3**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**  
**SECRETARIAL AUDIT REPORT**

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

To,  
The Members  
Asian Hotels (East) Limited  
Hyatt Regency Kolkata, JA-1  
Sector - 3, Salt Lake City  
Kolkata- 700 098

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Asian Hotels (East) 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 our opinion thereon.

Based on our verification of the company's 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 **31<sup>st</sup> March , 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, 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 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable to the Company during the Audit Period)*;
  - f) 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *-(Not applicable as the Company has not delisted / propose to delist its equity share from any stock exchange during the financial year under review)*.
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;-  
*(Not applicable as the Company has not bought back / propose to bought back its securities during the financial year under review)*.

## *Asian Hotels (East) Limited*

- (vi) As identified by the Company, following other laws are applicable to the Company:
- a. The Sarais Act, 1867;
  - b. Guidelines for Classification of Hotels by Ministry of Tourism, Government of India, 2010;
  - c. The West Bengal Entertainment- cum- Amusement Tax Act, 1982;
  - d. Foreigners Registration (Application and Amendment) Act, 1962;
  - e. West Bengal Police Act, 1952;
  - f. Food Safety and Standards Act, 2006;
  - g. Food Safety and Standards Act, 2011;
  - h. Explosives Act, 1884;
  - i. The Luxury Tax Act, 1996.

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

- i. Secretarial Standard issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange.

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

### **We further report that:**

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

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

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

### **We further report that:**

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

For D.Raut & Associates  
Company Secretary in Practice

Debendra Raut

Place : Kolkata  
22<sup>nd</sup> May, 2017

ACS No. 16626  
CP No.- 5232

**Asian Hotels (East) Limited**  
**Nomination and Remuneration Policy**

**Introduction:**

In terms of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 19 and Part D of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) a listed company shall constitute a Nomination and Remuneration committee (the Committee) consisting of three or more non-executive directors out of which not less than one half shall be independent directors and the Chairman of the Committee shall be an independent director.

**Role of the Committee:**

The role of the Committee shall be governed by the applicable provisions of the Companies Act, 2013 and rules made thereunder and Listing Regulations.

**Constitution of the Nomination and Remuneration Committee:**

The Board has changed the nomenclature of Remuneration Committee constituted on 22<sup>nd</sup> February, 2010 by renaming it as Nomination and Remuneration Committee on 22<sup>nd</sup> May, 2014. The Nomination and Remuneration Committee comprises of following Directors:

- Mr. Rama Shankar Jhawar - Independent Director (Chairman)
- Mr. Padam Kumar Khaitan - Independent Director (Member)
- Mr. A. C. Chakrabortti - Independent Director (Member)

**Applicability:**

The Nomination and Remuneration Policy (the Policy) is applicable to Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

**Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required. However, a minimum of one meeting every financial year is mandatory.

**Secretary:**

The Company Secretary of the Company shall act as Secretary of the Committee.

**Policy relating to the appointment and removal of Director, KMP and Senior Management Personnel:**

The appointment/ re-appointment/ removal and term/tenure of Director, KMP and Senior Management Personnel be determined by the Committee and recommended to the Board for approval and the same shall be governed by the applicable provisions of the Companies Act, 2013 or rules made thereunder or under any other applicable act, rules and regulations.

**Policy relating to the remuneration for the Director, KMP and Senior Management Personnel:**

The remuneration / compensation / commission/ fee etc. to the Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval and the same shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder and other applicable act, rules and regulations.

**Review and Amendment**

The Board may, subject to applicable Listing Regulations and Companies Act, 2013 & the Rules made thereunder review and amend any provision(s) with the new provision(s) or replace the policy entirely with a new Policy, based on the recommendations of the Nomination & Remuneration Committee.

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014**

**(A) Conservation of energy**

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the company for utilizing alternate sources of energy;
- (iii) the capital investment on energy conservation equipments;
  - 1. Replacement of Existing cold cathode light, T-5 light tube and 28 watt T-5 tube light with LED strip.
  - 2. Replacement of 50 watt light with 6 watt light in the garden.
  - 3. Replacement of 50 watt spot light with 6 watt LED spot light in the garden.
  - 4. Conversion of Laundry return steam energy used for spa Jacuzzi steam booster to hot water intern saving heating cost.

There were on new investment made during the financial year under review.

**(B) Technology absorption**

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - (a) the details of technology imported;
  - (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

**1. Online Check-In/Express Check-Out Deployment**

Hyatt's Online Check In & Express Checkout (formerly Webin/Webout) provides our guests with an additional option for their arrival and/or departure experience. Originally designed and developed by IT Just Works Software (IJWS), Hyatt purchased the application in 2014 so that we may better integrate and develop the application. Hyatt Online Check In & Express Checkout is an extension of the Property Management System and it is tightly integrated into the Hyatt Technology environment Reserve, Opera and other core Hyatt systems.

Cost INR 276,000 /-

**2. Opera Upgrade V5.5E7**

- Enhancements (pertinent to the Hyatt environment)
- Version fixes delivered with v5.5/e7 and with v5.5/e14
- Reported Version Issues/Changed Functionality

Cost - INR 242,209 /-

**(C) Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Foreign Exchange Earned - INR 207,966,523.23

Foreign Exchange Outgo - INR 81,966,572.17

## ANNEXURE - V

## Information as per Rules 5(2) &amp; (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Name	Designation	Remuneration (Rs.)	Nature of Employment	Qualification	Experience in (Years)	Date of commencement of employment	Age in (Years)	Previous employment	% of Shares held in the Company	Whether related to any director	
(A) The names of top ten employees in terms of remuneration drawn:												
1	Umesh Saraf	Joint Managing Director	1,29,68,000	Full Time	Graduate, B.Sc	28	01-May-10	52	Asian Hotels Limited	0.21	Director	
2	Arun Kumar Saraf	Joint Managing Director	1,31,15,000	Full Time	Post Graduate, Major in Economics and Business Administration	32	04-Aug-10	58	Juniper Hotels Private Limited	0.08	Director	
3	Leick-Milde Britta	General Manager	53,31,652	Full Time	Post Graduate in Physics	22	15-May-13	44	Juniper Hotels Private Limited	Nil	No	
4	Bimal Kr. Jhunjhunwala	CFO and VP Corporate Finance	40,72,525	Full Time	Bcom(H), ACA, ACS	30	01-May-10	56	Juniper Hotels Private Limited	Nil	No	
5	Saumen Chatterjee	CLO & Company Secretary	35,50,460	Full Time	Bcom(H), LLB, ACS	22	01-Aug-09	46	Bennett Coleman & Co. Limited	Nil	No	
6	Ashis Chattopadhyay	Director of Finance	29,24,579	Full Time	C.A	13	25-Oct-12	42	Four Season, Mumbai	Nil	No	
7	Sujit Nair	Director of Human Resources	25,10,388	Full Time	Bsc, LLB, PG in Personnel Management	20	18-Mar-14	40	Park Hyatt Chennai	Nil	No	
8	Bright Holm	General Manager	22,34,015	Full Time	Graduate	29	19-Dec-16	49	Dusit Devarana, Delhi	Nil	No	
9	Manish Vishwa	Director Of Engineering	20,98,708	Full Time	B.E (Mech), MBA(Finance)	15	04-Apr-16	43	Park Hyatt Maldives	Nil	No	
10	Clement D Cruz	Executive Chef	20,90,088	Full Time	High School	23	26-Dec-12	46	Lux Maldives	Nil	No	

(B) Personnel who are in receipt of remuneration aggregating not less than Rs. 1,02,00,000 per annum and employed throughout the year:

1	Umesh Saraf	Joint Managing Director	1,29,68,000	Full Time	Graduate, B.Sc	28	01-May-10	52	Asian Hotels Limited	0.21	Director
2	Arun Kumar Saraf	Joint Managing Director	1,31,15,000	Full Time	Post Graduate, Major in Economics and Business Administration	32	04-Aug-10	58	Juniper Hotels Private Limited	0.08	Director

(C) Personnel who are in receipt of remuneration aggregating not less than Rs. 8,50,000 per month and employed for part of the year:

1	Leick-Milde Britta	General Manager	5,331,652	Full Time	Post Graduate in Physics	20	15-May-13	44	Juniper Hotels Private Limited	Nil	No
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(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 his 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

For and on behalf of the Board of Directors

Kolkata  
25<sup>th</sup> May 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN : 00017985)

**Rama Shankar Jhawar**  
Director  
(DIN : 00023792)

## **ANNEXURE - VI**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **INDUSTRY STRUCTURE, DEVELOPMENT, OPPORTUNITIES AND OUTLOOK**

The hospitality sector witnessed marginal reduction on occupancy ratios which was however made up by improved average room rates (ARR) in the financial year 2016-17 with more foreign and domestic tourists checking in on the back of lower air fares. This trend is expected to continue and the hotel companies are expected to improve their top and bottom lines and debt servicing in the current financial year 2017-18. Average room rates marginally moved up due to increase in destination weddings, sports league and MICE events. Further, pickup in leisure activities, domestic tourist inflow, business travels and government initiative such as 'Make in India', 'Digital India', 'e-Visa Schemes' and efforts to promote tourism will drive the demand further.

Apart from room revenue, F&B operations now have a larger share in the overall revenue. Hospitality chains have to expand F&B operations beyond its properties by launching various formats. Branded hotels have to re-design their websites and offer the best available rates duly complimented by offering better rates and value added services. This will help to attract more traffic to the hotel's own website thereby resulting in savings of costs when booked directly. Hotels have to display or banner ads on their websites as a digital practice for targeting customers.

Hospitality in Kolkata is on a swing. In view of the grand launches by top brands of the global hospitality sector, there is an opportunity to re-brand the city of Kolkata as an attractive convention destination with respect to corporate movement, tours and possible shift of MICE events from other big cities of India owing to cheaper room rates. Your Board is well aware of the competition from the new hospitality biggies and the upcoming hotels in the sector. With commercial activity gaining momentum and subsequent influx of foreign nationals, hospitality players also find Chennai a potential market for their expansion plans. Therefore, the outlook of both Kolkata and Chennai market is fairly optimistic. The improved air traffic in both the cities alongside occupancy in the existing star properties is going to play major role in the years to come.

#### **RISKS, CONCERNS AND THREATS**

On an evaluation of all relevant issues, the Company is likely to face the following risks and challenges, for which necessary steps have been initiated to overcome the difficulties.

In the proposed GST regime, it is considered unfortunate that the GST council has classified hotels with tariffs of more than Rs. 5,000 as luxury and has put them in the tax slab of 28%. Thus, restaurants housed inside five-star hotels will now have to pay GST of 28% against the rate of 18% -21% by standalone air conditioned restaurants. Proposed 28% GST tax slab on luxury and five star hotels is considered to be myopic and a dampener for the domestic hotel industry. Further it would be a challenge to attract visitors from abroad, as India competes with several other destinations, which could be more competitive on prices. For luxury hotels, the international clientele forms a large part of bookings. GST rates on hotels on popular tourist destinations such as Thailand, Singapore and Malaysia is in the range of 5% - 10%.

The recent ban on liquor sale within 500 meters of National and State Highways is likely to affect severely the hotels which are categorized as being located within the parameters prescribed by the Hon'ble Supreme Court in its ruling dated 15<sup>th</sup> December, 2016. Hotel's F&B and banquet business will directly be effected if the issue is not resolved. Decision of the State Government of West Bengal denotifying State Highway 3 (SH 3) has saved your hotel Hyatt Regency, Kolkata from not coming under the purview of the apex court's order. Unfortunately, the ban has really affected the business of Hotel Hyatt Regency, Chennai since April 2017 as the Madras High Court has stayed the proposal of Government of Tamil Nadu denotifying State Highways falling within the city limit. It was unimaginable that the hotel, located in the prime spot on the main road in Chennai, would fall under the above ban which will restrict sale of liquor to customers. In consequence, MICE events of the hotel is getting affected which is ultimately hitting the revenue of the hotel. This will have a significant impact on the performance of Hyatt Regency, Chennai in the financial year 2017-18. Unless there is a change in the above ruling, the F&B business & revenue of the Hotel would be somewhat uncertain.

Further, the Union Consumer Affairs Ministry's guideline prohibiting the compulsory service charge may impact the economic activity of the hotels.

To make the matter worse, all the hotels in the important cities are facing problems of surplus capacity due to the new entrants which are bound to have adversely impact on occupancy, pricing strategies and also margins. This challenge of mismatch has to be made in two ways : Firstly, by improving the all-round efficiency and effectiveness in the Company's operations; and Secondly, by inducing the State Government, through collective efforts to take measures for boost tourism, infrastructure development and corporate investment, so that over period of time, additional demand is created to absorb the over-supply. For instance in Kolkata, the market will have additional supply of rooms in financial year 2017-18 which cannot, but have adverse pressure on all fronts, thus calling for new strategies and rethinking about doing business.

#### **SEGMENTWISE, FINANCIAL AND OPERATIONAL PERFORMANCE**

The Company operates in Single Segment i.e. Hoteliering. The discussion on Financial Performance with respect to Operational Performance forms a part of the Directors Report.



## *Asian Hotels (East) Limited*

### **EFFICIENT INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has in place an adequate system of internal controls, with documented procedures covering all corporate functions and hotel operating units. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability for financial controls, and compliance with applicable laws and regulations. Adequate internal control measures are in the form of various policies and procedures issued by the Management covering all critical and important activities viz. Revenue Management, Hotel Operations, Purchase, Finance, Human Resources, Safety, etc. An external audit has been successfully conducted to monitor energy efficiencies, safety and security as well as audits of hygiene standards in the hotel. During the year, the Standard terms of reference for Internal Audit which defines the framework for conduct of Internal Audits was updated incorporating latest changes to regulatory requirements and the evolving business context. Moreover, the Audit Committee of the Board reviews the findings of the Internal Auditor and closely monitors the implementation of their recommendations by reviewing the compliance reports furnished.

### **DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company continues to maintain a very cordial and healthy relationship with its workforce across all its units. The number of people employed by the Company as on 31<sup>st</sup> March, 2017 was 292. To attract and retain good employees in the company, we are ensuring the best place to work. We at Hyatt Regency are striving towards attracting, retaining, training, multiskilling employees and working towards the welfare of our resources. In the meantime all efforts are being made to control cost so as to maintain present level of profitability. Industrial relations remained stable throughout the financial year 2016-17.

### **CAUTIONARY STATEMENT**

Statement made in the Management Discussion and Analysis, describing the Company's objectives, projections, estimates, predictions and expectations may be forward looking statement with the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board of Directors

Kolkata  
25<sup>th</sup> May, 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN : 00017985)

**Rama Shankar Jhavar**  
Director  
(DIN : 00023792)

**REPORT ON CORPORATE GOVERNANCE**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Asian Hotels (East) Limited believes that good corporate governance is essential to achieve long term corporate goals and enhance stakeholders' value. Our corporate governance is based on principle of equity, fairness, integrity, transparency, accountability and commitment to value. Your Company has adopted best practices for corporate governance, disclosure standard and enhanced shareholder value while protecting the interest of all other stakeholders including clients, suppliers and its employee. This has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. The Board of Directors has also institutionalized best management practices to bring about an atmosphere of accountability. Systems have been put into place to ensure effective strategic planning, optimum risk management, financial plans, budgets, integrity controls, reporting, communication policy with emphasis on transparency and full disclosure on the various facts of the Company's operations, its functioning, financial and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit.

The Company has complied with mandatory requirements of the corporate governance provisions as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

**BOARD OF DIRECTORS**

The Company has a high-profile Board with varied management expertise. The Board's role, functions, responsibility and accountability are known to them due to their vast experience.

As on 31<sup>st</sup> March 2017, the total Board strength comprises of seven (7) Directors which includes one (1) Non-Executive Chairman, two (2) Joint Managing Directors and four (4) Independent Directors including one (1) Non-Executive Woman Director. The Company is in compliance with the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations pertaining to composition of the Board as on 31<sup>st</sup> March, 2017.

None of the Directors is a member of more than 10 committees or act as chairman of more than 5 committees as specified in Regulation 26 of the Listing Regulations, across all companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March, 2017 have been made by the Directors as per Regulation 26 of the Listing Regulations.

The Non-Executive/Independent Directors are paid sitting fees within the limits prescribed under the Companies Act, 2013. No stock options were granted to Non-Executive Directors during the year under review. The Non-Executive/Independent Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees during the year 2016-17. Independent Directors are not serving as independent directors in more than seven listed companies as prescribed in Regulation 25 of the Listing Regulations. The Company is in conformity with Regulations 25 and 26 (1)(2)(4) of the Listing Regulations.

The Board normally meets four times a year and as and when required. The time gap between two Board Meetings has not exceeded the limit of one hundred and twenty days as specified under Regulations 17 of the Listing Regulations. During the financial year 2016-17, the Board of Directors had five (5) meetings. These were held on 24<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 7<sup>th</sup> September, 2016, 9<sup>th</sup> December, 2016 and 10<sup>th</sup> February, 2017 respectively. The attendance of the Directors at the Board meeting is given elsewhere in this section.

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary notes setting out the details of the proposal, relevant material facts, supporting information and documents to enable the Board to take informed decisions. Agenda also includes draft resolutions and minutes of the meetings of all the last Board, Committees and Subsidiaries for consideration, approval and information of the Board. Any item not included in the agenda is taken up for consideration as per the provisions of the Secretarial Standard on Meetings of Board of Directors (SS-1). Agenda papers are circulated seven days prior to the Board Meeting.

All statutory and other significant and material information as mentioned in Part A of Schedule II of Regulation 17(7) of the Listing Regulations are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders. The Board also reviews periodically the compliance of all applicable laws. The members of the Board have the complete freedom to express their opinion and decisions are taken after detailed discussion.

Pursuant to the Corporate Governance provisions as specified in the Listing Regulations, the composition and categories of directors of the Board, details of Directorships held, Committee Memberships/Chairmanships held and attendance of the Director at the Board Meetings and previous Annual General Meeting (AGM) are as follows as on 31<sup>st</sup> March, 2017.

Sl. No.	Name of Director	DIN No.	Category	No. of Board Meetings attended	Last AGM attended	No. of other Directorship(s) <sup>x</sup>	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies <sup>#</sup>	
							Member	Chairman
1.	Mr. Radhe Shyam Saraf <sup>+</sup>	00017962	Promoter/ Non-Independent, Non-Executive Chairman	2	No	Nil	Nil	Nil
2.	Mr. A. C. Chakrabortti	00015622	Independent	5	Yes	2	2	1
3.	Mr. R. S. Jhawar	00023792	Independent	5	Yes	5	4	1
4.	Mr. Padam K. Khaitan	00019700	Independent	5	No	6	7	3

## Asian Hotels (East) Limited

Sl. No.	Name of Director	DIN No.	Category	No. of Board Meetings attended	Last AGM attended	No. of other Directorship(s) <sup>*</sup>	No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies <sup>#</sup>	
							Member	Chairman
5.	Ms. Rita Bhimani	07106069	Independent/ Woman Director	5	Yes	1	Nil	Nil
6.	Mr. Arun K. Saraf <sup>+</sup>	00339772	Promoter/ Joint Managing Director	4	Yes	1	Nil	Nil
7.	Mr. Umesh Saraf <sup>+</sup>	00017985	Promoter/ Joint Managing Director	5	Yes	5	Nil	Nil

\* The Directorship as mentioned above does not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies [excluding Asian Hotels (East) Limited].

# In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies [excluding Asian Hotels (East) Limited] have been considered.

+ No Directors other than Mr. Radhe Shyam Saraf, Mr. Arun K Saraf and Mr. Umesh Saraf are related to each other. Mr. Radhe Shyam Saraf is the father of Mr. Arun K Saraf and Mr. Umesh Saraf and further Mr. Arun K Saraf and Mr. Umesh Saraf are brother.

### Familiarisation programme for Independent Directors

The Board of Directors formulated and adopted the familiarisation programme for Independent Directors at its meeting held on 30<sup>th</sup> October, 2015 for understanding of their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company. The Company has also adopted a structured programme for orientation and training of independent directors at the time of their joining and on time to time basis so as to enable them to understand the Company's operations, business, industry and environment. The familiarisation programme is available on the Company's official website: [www.ahleast.com](http://www.ahleast.com).

### Meeting of Independent Directors

Pursuant to Section 149 and Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the meeting of the independent directors was held on 31<sup>st</sup> March, 2017 without the attendance of non-independent directors and members of management. All the independent directors of the company were present at the meeting. They reviewed the performance of non-independent directors and the Board as a whole and evaluated the performance of the Chairperson of the Company and found them to be satisfactory.

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was circulated in the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

### COMMITTEES OF BOARD OF DIRECTORS

The Company has four (4) Board level Committees in accordance with the Listing Regulations & Companies Act, 2013.

#### 1) Audit Committee

The role and the terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The terms of reference of the Committee are wide enough to cover the matters specified for Audit Committee under the Companies Act, 2013 and the Listing Regulations.

As on 31<sup>st</sup> March, 2017, the Audit Committee comprises of three (3) Directors amongst which two (2) are Independent Non-Executive Directors namely Mr. A. C. Chakrabortti and Mr. R. S. Jhawar and one (1) is Joint Managing Director namely Mr. Umesh Saraf.

All the members of the Audit Committee are financially literate and possess sound knowledge on accounts, audit, finance, internal controls etc. Mr. A. C. Chakrabortti, a fellow member of the Institute of Chartered Accountants in England & Wales and India, has wide experience in diverse fields particularly pertaining to the accounts, finance and taxation. Mr. R. S. Jhawar, a Chartered Accountant, is a renowned financial professional in the industry. Mr. Umesh Saraf is a highly experienced industrialist and has in-depth knowledge of financial, accounting management and core business of the Company.

During the financial year 2016-17, five (5) Audit Committee meetings were held on 24<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 7<sup>th</sup> September, 2016, 9<sup>th</sup> December, 2016 and 10<sup>th</sup> February, 2017 respectively. Necessary quorum was present for all the meetings. The time gap between any two Audit Committee meetings are not more than one hundred and twenty days.

Attendance of each Member at the Audit Committee meeting held during the year:

Name of the Chairman/Member	Status	Meetings Attended	Last AGM attended
Mr. A. C. Chakrabortti (Independent Director)	Chairman	5	Yes
Mr. R. S. Jhawar (Independent Director)	Member	5	Yes
Mr. Umesh Saraf (Joint Managing Director)	Member	5	Yes

Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary is the Secretary to the Audit Committee.

## Asian Hotels (East) Limited

Mr. Radhe Shyam Saraf, Chairman, Mr. Arun K Saraf, Joint Managing Director, Mr. Bimal K. Jhunjunwala, CFO & Vice President-Corporate Finance, Director of Finance and General Manager of the Hotel Hyatt Regency, Kolkata along with the Statutory and Internal Auditors of the Company also attended the Meetings of the Audit Committee.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism and reviews the finding of investigation into cases of material nature and actions taken in respect thereof.

### 2) Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and in compliance with Regulation 19 of the Listing Regulation, the Nomination and Remuneration Committee was constituted to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board policies relating to, the remuneration of the directors, key managerial personnel and other employees and diversity of board of directors, and evaluation of the performance of independent directors and the board of directors, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal. During the year the Nomination and Remuneration Committee met on 31<sup>st</sup> March, 2017. The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2017 is as under:

Name of the Chairman/Member	Status	Meetings Attended	Last AGM attended
Mr. R. S. Jhavar (Independent Director)	Chairman	1	Yes
Mr. Padam K. Khaitan (Independent Director)	Member	1	No
Mr. A. C. Chakrabortti (Independent Director)	Member	1	Yes

Details of remuneration paid/payable to the Directors during the financial year ended 31<sup>st</sup> March, 2017:

#### (a) Joint Managing Directors

(Rs. in Lacs)

Name	Salary	Perquisites and allowances	Commission payable	Total amount paid/payable in 2016-17	Period of appointment
Mr. Arun K Saraf	76.25	54.90	—	131.15	5 years starting from 4th August, 2015
Mr. Umesh Saraf	64.00	65.68	—	129.68	5 years starting from 22nd February, 2015

Reference may be made to the Postal Ballot Notice dated 30<sup>th</sup> October, 2015 for details of remunerations for the two Joint Managing Directors. The Company does not have any stock option plan or performance linked incentive or benefits or bonus or severance fees for the Joint Managing Directors. The Joint Managing Directors do not have any notice period or service contracts with the Company. Their appointment is governed by the special resolution passed by members through Postal Ballot.

#### (b) Non-Executive Directors/Independent Director:

Name	Sitting fees (Rs.)*
Mr. Radhe Shyam Saraf	50,000
Mr. A. C. Chakrabortti	4,30,000
Mr. R. S. Jhavar	4,30,000
Mr. Padam K. Khaitan	2,80,000
Ms. Rita Bhimani	2,80,000

\* No remuneration other than sitting fees for attending Board and Committee Meetings was paid to the Non-Executive Directors.

Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

The Company paid sitting fees of Rs. 50,000/- per meeting to the Non-Executive Directors for attending meetings of the Board and paid Rs. 30,000/- as sitting fees for attending the meetings of the Executive Committees of the Board. Further, Rs. 30,000/- was also paid as sitting fees to the Independent Directors who attended the meeting of the Independent Directors.

There were no other shares and convertible instruments held by Non-Executive Directors of the Company except Mr. Radheshyam Saraf holding 32,84,680 equity shares of the Company as on 31<sup>st</sup> March, 2017. There were no pecuniary relationships or transaction between any of the Non- Executive Directors and the Company.

### 3) Stakeholders Relationship Committee

The Company has a Stakeholders Relationship Committee to carry out handling of transfer and transmission of shares, issue of duplicate/re-materialised shares and consolidation and splitting of certificates etc. and handling of shareholders'/investors' grievances. The brief terms of reference of the Committee include redressing of shareholders' and investors' complaints like transfer of shares, non-receipt of Annual Reports, non-receipt of declared dividends etc. and to expedite the process of share transfer. The Committee also monitors implementation and compliance of the Company's Code of Conduct for prohibition of insider trading in pursuance of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## Asian Hotels (East) Limited

The composition of the Committee is as under:

Name of the Members	Status
Mr. Padam K. Khaitan (Independent Director)	Chairman
Mr. R. S. Jhawar (Independent Director)	Member
Mr. Umesh Saraf (Joint Managing Director)	Member

The Committee meets on need basis.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review were 106. There are no pending complaints as on 31<sup>st</sup> March, 2017. Further, all the requests for transfer of shares have also been processed in time and no transfer was pending for registration for more than 15 days as on 31<sup>st</sup> March, 2017.

Minutes of meetings of the Share Transfer and Stakeholders Relationship Committee/Resolutions by Circulations are circulated to the Board.

### Compliance Officer

Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary is the Compliance Officer and acts as Secretary to the Committee.

### Executive Share Transfer Committee

Pursuant to Regulation 40(2) of the Listing Regulations and to expedite the process of share transfers, the Board has an Executive Share Transfer Committee comprising of CFO & Vice President - Corporate Finance and Chief Legal Officer & Company Secretary.

### Terms of reference:

Terms of the reference of the Stakeholders Relationship Committee are described as follows:

- To approve transfer of shares including taking note of transfer of shares in demat mode, transmission of shares, transposition of names of the shareholders, deletion of name of shareholders and change of name/surname of the shareholders;
- The Executive Share Transfer Committee executes its role for prevention of Insider Trading under the code framed in terms of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Committee meets on a need basis or at least once in every ten (10) days to dispose of the business of the Committee, if any. The minutes of the Executive Share Transfer Committee are placed at the Board Meetings of the Company periodically.

## 4. Corporate Social Responsibility Committee

During the year the Corporate Social Responsibility Committee met one time on 10<sup>th</sup> February, 2017. The composition of the Committee is as under:

Name of the Members	Status	Meetings Attended
Mr. Arun K Saraf (Joint Managing Director)	Chairman	1
Mr. R. S. Jhawar (Independent Director)	Member	1
Mr. Umesh Saraf (Joint Managing Director)	Member	1

The purpose of the Committee is to formulate and monitor the Corporate Social Responsibility Policy of the Company. Please refer to Annexure VIII of the Directors' Report for details.

## DIRECTORS' REPORT AND GENERAL BODY MEETINGS

A) Particulars of last three Annual General Meetings:

Financial Year	Nature of meeting	Venue	Date	Time	Special Resolutions passed
2015-16	9th Annual General Meeting	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata- 700098, West Bengal.	10.08.2017	11.00 a.m	i) Borrowings under Section 180(1)(c) of the Companies Act, 2013. ii) Sell, mortgage or charge any movable assets of the Company under Section 180 (1)(a) of the Companies Act, 2013. iii) Investment of Company's surplus funds under Section 186 of the Companies Act, 2013.
2014-15	8th Annual General Meeting	- Do -	31.07.2015	10.00 a.m	Adoption of new set of Article of Association
2013-14	7th Annual General Meeting	- Do -	30.07.2014	10.00 a.m	None

## Asian Hotels (East) Limited

### B) Postal Ballot:

During the last financial year, members of the company has approved the following resolutions by passing special resolution through Postal Ballot under Section 110 of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014:

- a) Approval of remuneration payable to Mr. Arun K Saraf (DIN :00339772) as the Joint Managing Director of the Company for a period of three (3) years from 1st April, 2015 to 31st March, 2018 in the event of loss or inadequacy of profit as per Section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013. The details of the voting pattern in respect of this special resolution passed are as follows:

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)]*100	(4)	(5)	(6) = [(4)/(2)]*100	(7) = [(5)/(2)]*100
Promoter and Promoter Group	E-Voting	7478908	7478908	100%	7478908	-	100%	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	Total	7478908	7478908	100%	7478908	-	100%	-
Public Institutions	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
Public- Non Institutions	E-Voting	488233	483056	98.94%	483055	1	99.99%	0.0002%
	Poll	-	-	-	-	-	-	-
	Postal Ballot	488233	5177	1.06%	4711	405	90.99%	7.82%
	Total	488233	488233	100%	487766	406	99.90%	0.08%
<b>Total</b>		<b>7967141</b>	<b>7967141</b>	<b>100%</b>	<b>7966674</b>	<b>406</b>	<b>99.99%</b>	<b>0.01%</b>

- b) Approval of remuneration payable to Mr. Umesh Saraf (DIN :00017985) as the Joint Managing Director of the Company for a period of three (3) years from 1st April, 2015 to 31st March, 2018 in the event of loss or inadequacy of profit as per Section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013. The details of the voting pattern in respect of this special resolution passed are as follows:

Category	Mode of Voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3) = [(2)/(1)]*100	(4)	(5)	(6) = [(4)/(2)]*100	(7) = [(5)/(2)]*100
Promoter and Promoter Group	E-Voting	7478908	7478908	100%	7478908	-	100%	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	Total	7478908	7478908	100%	7478908	-	100%	-
Public Institutions	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
Public- Non-Institutions	E-Voting	488233	483056	98.94%	483055	1	99.99%	0.0002%
	Poll	-	-	-	-	-	-	-
	Postal Ballot	488233	5177	1.06%	4711	362	90.99%	6.99%
	Total	488233	488233	100%	487766	363	99.90%	0.07%
<b>Total</b>		<b>7967141</b>	<b>7967141</b>	<b>100%</b>	<b>7966674</b>	<b>363</b>	<b>99.99%</b>	<b>0.004%</b>

The result of Postal Ballot was declared on 18th December, 2015. Mr. Debendra Raut, Practicing Company Secretary, M/s. D. Raut & Associates, Kolkata (Membership No. 16626 & Certificate of Practice No. 5232) was appointed as the Scrutinizer for conducting the postal ballot and remote e-voting process.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through Postal Ballot.

## Asian Hotels (East) Limited

### MEANS OF COMMUNICATION

The reports, statements, documents, filing and any other informations are filed with the electronic platform of the stock exchanges. These are also published in the Business Standard, an English daily newspaper having all India circulation and in Ekdin, a regional daily newspaper published in the language of the region where the registered office of the Company is situated (all editions).

The Company maintains a functional website containing all prescribed information as mentioned in the Regulation 46 of the Listing Regulations.

Further, all periodical compliance filings like shareholding patterns, corporate governance report, corporate announcements etc. are filed electronically on NEAPS, a web based application designed by NSE and on BSE Listing Centre, a web based application designed by BSE for corporates. The investor complaints are processed in SEBI Complaints Redressal Systems (SCORES), a centralized web based complaints redressal system.

### GENERAL SHAREHOLDERS' INFORMATION

#### Annual General Meeting

<b>Day, Date &amp; Time</b>	:	28 <sup>th</sup> July, 2017
<b>Venue</b>	:	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata – 700 098.
<b>Financial Year</b>	:	31 <sup>st</sup> March, 2017
<b>Financial Calendar</b>	:	
1st Quarterly Results	}	Within 45 days from the end of the quarter
2nd Quarterly/ Half yearly Results		
3rd Quarterly Results		
Audited yearly Results for the year ended 31 <sup>st</sup> March, 2017	:	Within 60 days of the end of the Financial Year.
<b>Date of Book closure</b>	:	22 <sup>nd</sup> July, 2017 to 28 <sup>th</sup> July, 2017. (both days inclusive)
<b>Dividend Payment date</b>	:	Within 30 days from the date of declaration.

#### Listing on Stock Exchanges

Details of listing of equity shares of the Company:

Sl.No.	Name and address of the Stock Exchanges	Scrip Code/Symbol	ISIN
1.	BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	533227	INE926K01017
2.	National Stock Exchange of India Ltd (NSE). Exchange Plaza, C-1, Block-G, Bandra - Kurla Complex, Bandra (East), Mumbai – 400 051	AHLEAST	

Annual listing fees as prescribed, has been paid by the Company to the above Stock Exchanges for the financial year 2017-18.

Annual Custody/Issuer fee for the financial year 2017-18 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on receipt of the invoices.

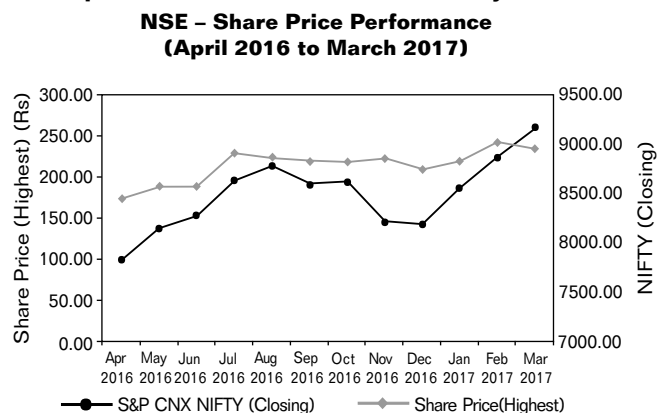
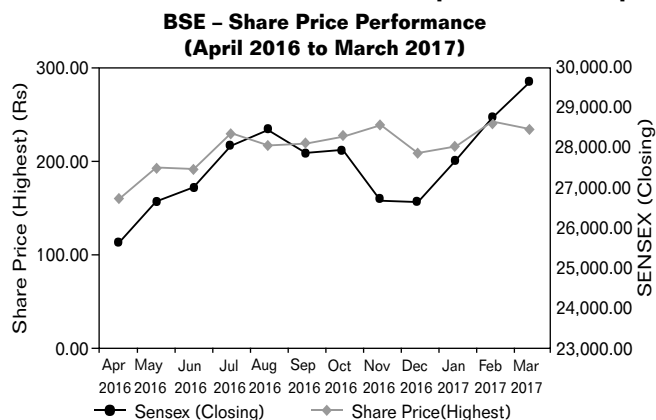
**Corporate Identity Number (CIN):** L15122WB2007PLC162762

#### Market Price Data during the period from April, 2016 to March, 2017

Month	BSE				NSE			
	High Rs.	Low Rs.	Total Number of Shares Traded	Sensex (Closing)	High Rs.	Low Rs.	Total Number of Shares Traded	S&P CNX NIFTY (Closing)
April 2016	158.90	140.00	1,353	25,606.62	174.00	140.00	3,046	7849.80
May 2016	192.50	140.80	18,628	26,667.96	188.75	141.65	45,517	8160.10
June 2016	190.00	156.00	4,015	26,999.72	188.75	163.25	23,563	8287.75
July 2016	228.00	176.05	38,103	28,051.86	230.05	175.55	91,191	8638.50
Aug 2016	215.00	185.00	14,529	28,452.17	224.20	185.10	23,571	8786.20
Sep 2016	217.95	185.00	33,474	27,865.96	220.00	171.90	53,732	8611.15
Oct 2016	225.00	173.00	29,469	27,930.21	219.00	192.60	35,151	8625.70
Nov 2016	237.00	172.05	22,893	26,652.81	223.00	181.05	52,151	8224.50
Dec 2016	208.00	181.05	7,699	26,626.46	210.00	182.25	37,100	8185.80
Jan 2017	215.00	186.00	8,715	27,655.96	219.60	185.05	15,757	8561.30
Feb 2017	241.00	199.00	14,133	28,743.32	242.60	196.90	38,167	8879.60
Mar 2017	232.95	212.10	24,968	29620.50	234.80	213.30	39,698	9173.75

## Asian Hotels (East) Limited

### Performance of the share price of the company in comparison to BSE Sensex and NSE Nifty :-



### Registrar and Share Transfer Agent

Karvy Computershare Private Limited  
 Karvy Selenium Tower B  
 Plot No. 31 & 32, Gachibowli, Financial District,  
 Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India  
 Tel : +91 40 23312454  
 Fax No. 040-23420814  
 E-mail: mailmanager@karvy.com

Karvy Computershare Private Limited  
 49, Jatin Das Road, Kolkata - 700 029  
 Tel No. 033- 2464 4891/7231/2463-4787-89  
 Website: www.karvy.com

### Share Transfer System

Share transfers in physical form are generally registered within a fortnight from the date of receipt provided the documents are found to be in order. Stakeholders Relationship Committee and Executive Share Transfer Committee consider and approve the transfer proposals.

The Company affirms that no shareholders' complaints were lying pending as on 31<sup>st</sup> March, 2017 under SCORES.

Requests for dematerialization of shares being in order is generally processed within 21 days of receipt of the request and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

### Distribution of Shareholding as on 31<sup>st</sup> March, 2017

DISTRIBUTION SCHEDULE AS ON 31ST MARCH, 2017					
Sl. No.	Category	Cases	% of Cases	Amount (Rs.)	% Amount
1	upto 1 - 5000	12313	96.65	7037450.00	6.10
2	5001 - 10000	242	1.90	1732840.00	1.50
3	10001 - 20000	81	0.64	1106140.00	0.96
4	20001 - 30000	22	0.17	559260.00	0.49
5	30001 - 40000	16	0.13	557730.00	0.48
6	40001 - 50000	14	0.11	654670.00	0.57
7	50001 - 100000	17	0.13	1218790.00	1.06
8	100001 & ABOVE	35	0.27	102411090.00	88.84
	<b>Total:</b>	<b>12740</b>	<b>100.00</b>	<b>115277970.00</b>	<b>100.00</b>

### No. of Shares (As on 31<sup>st</sup> March, 2017)

Physical Mode : 301540

#### Electronic Mode:

– NSDL : 10809173

– CDSL : 417084

### Dematerialisation of Equity Shares

1,12,26,257 shares (equivalent to 97.39%) of the total outstanding shares of the Company are held in dematerialized form as on 31<sup>st</sup> March, 2017.

The Company's shares are traded at BSE & NSE.

During the financial year 2016-17 the Company has not issued GDRs/ADRs/Warrants or any Convertible Instruments likely to impact on equity.



## Asian Hotels (East) Limited

### Shareholding Pattern as on 31<sup>st</sup> March, 2017

Category	No. of Shares held	% of shareholding
<b>A. Promoter &amp; Promoter Group</b>		
– Indian	33,463	0.29
– Foreign	75,32,657	65.34
<b>Total Promoter &amp; Promoter Group Shareholding</b>	<b>75,66,120</b>	<b>65.63</b>
<b>B. Public Shareholding</b>		
– Banks	6,24,704	5.42
– NBFC	192	0.00
– Mutual Funds	425	0.00
– Insurance Companies	6,18,434	5.36
– Body Corporate	11,15,555	9.68
– Indian Financial Institutions	6,430	0.06
– Resident Individuals	13,62,133	11.82
– HUF	30,591	0.27
– Clearing Members	4,403	0.04
– Foreign Corporate Bodies	38,803	0.34
– Trusts	358	0.00
– Foreign Institutional Investor	419	0.00
– Foreign Portfolio Investors	2500	0.03
– Non Resident Indians	156730	1.37
<b>Total Public Shareholding</b>	<b>3961677</b>	<b>34.37</b>
<b>Total (Promoter &amp; Promoter + Public Shareholding)</b>	<b>11527797</b>	<b>100</b>

### Hotels Location

Hyatt Regency Kolkata JA-1, Sector III, Salt Lake City Kolkata 700 098	Hyatt Regency Chennai 365, Anna Salai, Teynampet Chennai-600 018
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### Address for correspondence

The investor may address their correspondence directly to the Legal & Secretarial Department located at the registered office of the Company (as detailed below) or to the Registrar & Share Transfer Agent at the addresses mentioned in this Report.

### Registered Office Address

Asian Hotels (East) Limited  
Legal & Secretarial Department  
Hyatt Regency Kolkata  
JA-1, Sector III,  
Salt Lake City  
Kolkata 700 098  
Telephone No. :033-2517-1009/1012  
Fax No. : 033-2335-8246  
Email id : Soumya.Saha@ahleast.com

### Commodity price Risk or Foreign Exchange Risk and Hedging Activities

The Company follows advance payment system while importing consumable/consumer goods. Therefore there is no commodity price risk or foreign risk as such involved.

### Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital of the Company. This audit is carried out every quarter and the report is submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

## Asian Hotels (East) Limited

### Unclaimed Suspense Account

In terms of Schedule F of the Regulation 34(3) of Listing Regulations, the following details are provided in respect of the unclaimed suspense account of the Company:-

Sl. No.	Particulars	Number of shareholders	Number of equity shares
1.	Aggregate Number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 1 <sup>st</sup> April, 2016.	810	60210
2.	Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the financial year 1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017.	5	1892
3.	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the financial year 1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017.	5	1892
4.	Aggregate number of shareholders and outstanding shares lying in the unclaimed suspense account as on 31 <sup>st</sup> March, 2017.	805	58.318

The voting rights on the shares outstanding in the unclaimed suspense account as on 31<sup>st</sup> March, 2017 shall remain frozen till the rightful owner of such shares claims the shares.

### Equity Dividend History of the Company

Financial Year	Date of Declaration	Equity Dividend per share (Rs.)
2013-14	30 <sup>th</sup> July, 2014	3.00/-
2014-15	31 <sup>st</sup> July 2015	2.00/-
2015-16	10 <sup>th</sup> August, 2016	2.00/-

### Transfer of unpaid/unclaimed equity dividend to Investors Education & Protection Fund (IEPF)

The dividend for the undernoted years, if unclaimed for seven years, will be transferred by the Company to the Investor Education and Protection Fund (IEPF) in accordance with the schedule given below:

Financial Year	Date of Declaration	Date of payment	Date on which dividend will become part of IEPF
2009-10	29 <sup>th</sup> September, 2010	20 <sup>th</sup> October, 2010	4 <sup>th</sup> November, 2017
2010-11	24 <sup>th</sup> August, 2011	30 <sup>th</sup> August, 2011	29 <sup>th</sup> September, 2018
2011-12	19 <sup>th</sup> July, 2012	27 <sup>th</sup> July, 2012	24 <sup>th</sup> August, 2019
2012-13	8 <sup>th</sup> August, 2013	16 <sup>th</sup> August, 2013	13 <sup>th</sup> September, 2020
2013-14	30 <sup>th</sup> July, 2014	8 <sup>th</sup> August, 2014	4 <sup>th</sup> September, 2021
2014-15	31 <sup>st</sup> July, 2015	10 <sup>th</sup> August, 2015	5 <sup>th</sup> September, 2022
2015-16	10 <sup>th</sup> August, 2016	20 <sup>th</sup> August, 2016	15 <sup>th</sup> September, 2023

### Exclusive e-mail id for Investors' Grievances

Pursuant to Regulation 46 of the Listing Regulations, the e-mail id [investorrelations@ahleast.com](mailto:investorrelations@ahleast.com) has been designated for registering investors' grievances.

### SUBSIDIARIES

The Company has two unlisted subsidiaries namely GJS Hotels Limited and Regency Convention Centre and Hotels Limited and one unlisted step down subsidiary namely Robust Hotels Private Limited, owning company of Hyatt Regency Chennai. GJS Hotels Limited is wholly owned and an unlisted subsidiary. The Audit Committee reviews the financial statements, in particular the investments made by the unlisted subsidiary companies. Minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board regularly and statement containing significant transactions and arrangements entered into by the unlisted subsidiary companies are regularly placed before the Board of Directors of your Company. As per the requirement of the Schedule V of the Regulation 34(3) of the Listing Regulations, the Company has formulated a policy for determining 'material subsidiaries' which has been put up on website of the Company at [www.ahleast.com](http://www.ahleast.com). During the year, the Company has not disposed of any shares in its material subsidiary or disposed or leased the assets amounting to more than twenty (20) percent of the assets of the material subsidiary.

### DISCLOSURES

- The Board in its meeting held on 30<sup>th</sup> October, 2015 has adopted Related Party Transaction Policy as per Section 188 of the Companies Act, 2013 and Regulation 23 of Listing Regulations for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been placed in the website of the Company at [www.ahleast.com](http://www.ahleast.com). During the year there were no transactions of material nature with related parties that had potential conflict with the interests of the Company. Details of all related party transactions form a part of the accounts as required under Companies (Indian Accounting Standards) Rules, 2015 (IndAS-24) as notified by the Ministry of Corporate Affairs (MCA) on 16<sup>th</sup> February, 2015 and the same are given in the notes to the Financial Statements. The omnibus approval of the Audit Committee is taken for all proposed related party transactions to be entered into during the forthcoming year and the details of all related party transactions actually entered into in the preceding quarter is placed before them.

## *Asian Hotels (East) Limited*

- (ii) No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.
- (iii) The Company has not adopted a treatment different from that prescribed in accounting standards. While preparing the financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, the management has ensured that all Indian Accounting Standards as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 have been properly followed and there has been no deviation from this practice.
- (iv) The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical review to ensure that the critical risks are controlled by the executive management through means of a properly defined framework.
- (v) The Company has not come out with any public issue or right issue etc. during the financial year under review.
- (vi) The Company has complied with all the applicable requirements of the Listing Regulations. The Company has adopted a suitable reporting system on compliances of all major laws applicable to the Company, which is placed before the Board of Directors of the Company at its periodic meeting.
- (vii) The Company has not adopted the non-mandatory requirements of the Listing Regulations.

### **COMPLIANCE**

#### • **Code of Conduct**

The Board at its meeting held on 30<sup>th</sup> October, 2015 has adopted a Code of Conduct for Board and Senior Management in terms of Regulation 17 and Schedule V of Regulation 34(3) of the Listing Regulations. All Directors and the Senior Management Personnel have affirmed in writing their adherence to the above Code. The full text of the Code is displayed at Company's website [www.ahleast.com](http://www.ahleast.com). In compliance with Schedule V of Regulation 34(3) of the Listing Regulations a declaration signed by the Joint Managing Director is attached and forms part of the Annual Report of the Company.

#### • **Corporate Governance Compliance**

The Company has complied with the requirements as laid down in Schedule V of Regulation 34(3) of the Listing Regulations for the purpose of Corporate Governance. A compliance certificate has been obtained from M/s. S. S. Kothari Mehta & Co., Chartered Accountants, the Statutory Auditors of the Company.

#### • **Code of Conduct and Code of Fair Disclosure Under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted two codes namely, Code of Conduct and Code of Fair Disclosure at its meeting held on 28<sup>th</sup> May, 2015. All the connected persons and designated persons who can have access to the unpublished price sensitive information of the Company are governed by this Code. The Company has appointed Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary, as Compliance Officer who is responsible for setting forth procedures, implementation and compliance of the Code of Conduct for trading in Company's securities. The full text of the Code is displayed at Company's website [www.ahleast.com](http://www.ahleast.com).

### **CEO/CFO CERTIFICATION**

The Joint Managing Director and CFO & Vice President-Corporate Finance of the Company have issued necessary certificate to the Board at its meeting held on 25<sup>th</sup> May, 2017 in respect of the financial year ended 31<sup>st</sup> March, 2017 pursuant to the Schedule II of Regulation 17(8) of the Listing Regulations and the same is attached and forms part of the Annual Report.

### **NON-MANDATORY REQUIREMENTS**

#### **1. Office of the Chairman of the Board and re-imbursalment of expenses by the Company**

The Chairman of the Company is a Non-executive Director and no reimbursement of his expenses is made by the Company.

#### **2. Shareholders' Rights**

The Company's financial results are published in the newspapers and also posted on its own website: [www.ahleast.com](http://www.ahleast.com). Hence, the financial results are not sent to the shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

#### **3. Modified Opinion in Audit Report**

The Company, at present, does not have any modification in the audit opinion.

#### **4. Separate posts of Chairman and CEO**

The Company has a separate post of Chairman who is a Non-Executive Chairman. It has no separate post of CEO.

#### **5. Reporting of Internal Auditor**

The Company's Internal Auditor has the access of reporting directly to the Audit Committee.

For and on behalf of the Board of Directors

Kolkata  
25<sup>th</sup> May, 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN: 00017985)

**Rama Shankar Jhawar**  
Director  
(DIN: 00023792)

**Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17:**

1. **Brief outline of the Corporate Social Responsibility (CSR) Policy:** 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 programs:

The Company has its CSR Policy within broad scope as laid down in Schedule VII of the Companies Act, 2013. The CSR Policy was approved by the Board of Directors at its Meeting held on 30<sup>th</sup> July, 2014 and which is available on the Company's website: [www.ahleast.com](http://www.ahleast.com).

2. **Composition of CSR Committee of the Board:**

The CSR Committee of the Board comprises-

Mr. Arun Kumar Saraf, Joint Managing Director as Chairman

Mr. Umesh Saraf, Joint Managing Director as Member

Mr. Rama Shankar Jhawar, Independent Non-Executive Director as Member.

3. Average net profit of the Company for the last three financial years:

The average net profit for the last three financial years is Rs. 15.64 crores.

4. Prescribed CSR Expenditure (2% of the amount mentioned in item 3 above):

The Company is required to spend Rs. 32 lacs (approx) towards CSR for the financial year 2016-17.

5. Details of CSR spent during the financial year 2016-17:

- i) Total amount to be spent for the financial year : Rs. 32 lacs (approx)
- ii) Amount unspent, if any : Nil
- iii) Manner in which the amount spent during the financial year : Details given below

Sl. No.	CSR Project or activity	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the state and district where the project or program was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1.	Charitable Cancer Hospital in Bangalore	Health care, Hospital	Bangalore	Rs. 32 lacs	Rs. 32 lacs	Rs. 32 lacs	—
	<b>Total</b>			Rs. 32 lacs	Rs. 32 lacs	Rs. 32 lacs	—

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report – Not applicable

7. Responsibility Statement:

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Kolkata  
25<sup>th</sup> May, 2017

**Mr. Arun Kumar Saraf**  
Chairman of CSR Committee

**Mr. Rama Shankar Jhawar**  
Member

**Form No. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2017**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- L15122WB2007PLC162762
- ii) Registration Date: 08/01/2007
- iii) Name of the Company: Asian Hotels (East) Limited
- iv) Category/Sub-Category of the Company: Company limited by shares/Indian Non Government Company
- v) Address of the Registered office and contact details: Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700098, West Bengal, India
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent: Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana, India, Tel : +91 40 23312454

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Room	55101	42.15%
2.	Food & Smoke	5610 & 5621	41.61%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	GJS Hotels Ltd. Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700098.	U55101WB2002 PLC160608	Subsidiary	100%	2(87) of Companies Act, 2013
2	Regency Convention Centre and Hotels Limited Hyatt Regency, JA-1, Sector – III, Salt Lake City, Kolkata –700098.	U74899WB1994 PLC160633	Subsidiary	58.99%	2(87) of Companies Act, 2013
3	Robust Hotels Private Limited 365, Annasalai, Teynampet, Chennai - 600018	U55101TN2007P TC062085	Step-down Subsidiary	100%*	2(87) of Companies Act, 2013

\* 80.53 held through GJS Hotels Limited

**IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)**

- i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter &amp; promoters group</b>									
(1) <b>Indian</b>									
a) Individual /HUF	16000	0	16000	0.14	33463	0	33463	0.29	0.15
b) Central Govt./ State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies corporate	3127072	0	3127072	27.33	0	0	0	0.00	-27.33

*Asian Hotels (East) Limited*

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) FI / Banks	0	0	0	0.00	0	0	0	0.00	0.00
e) Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>3143072</b>	<b>0</b>	<b>3143072</b>	<b>27.47</b>	<b>33463</b>	<b>0</b>	<b>33463</b>	<b>0.29</b>	<b>-27.18</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	705206	0	705206	6.16	3902027	0	3902027	33.85	27.68
b) Bodies corporate	3630630	0	3630630	31.73	3630630	0	3630630	31.49	-0.24
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) Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>4335836</b>	<b>0</b>	<b>4335836</b>	<b>37.90</b>	<b>7532657</b>	<b>0</b>	<b>7532657</b>	<b>65.34</b>	<b>27.44</b>
<b>Total shareholding of Promoter &amp; promoter group (A) = (A)(1) + (A)(2)</b>	<b>7478908</b>	<b>0</b>	<b>7478908</b>	<b>65.37</b>	<b>7566120</b>	<b>0</b>	<b>7566120</b>	<b>65.63</b>	<b>0.26</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual funds /uti	195	230	425	0.00	195	230	425	0.00	0.00
b) FI / Banks	661875	6302	668177	5.84	624832	6302	631134	5.47	-0.37
c) Central Govt. / State Govt(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	644866	265	645131	5.64	618169	265	618434	5.36	-0.27
f) FIs	2534	385	2919	0.03	2534	385	2919	0.03	0.00
g) Foreign Venture Capital investors	0	0	0	0.00	0	0	0	0.00	0.00
h) Qualified foreign investor	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>1309470</b>	<b>7182</b>	<b>1316652</b>	<b>11.51</b>	<b>1245730</b>	<b>7182</b>	<b>1252912</b>	<b>10.87</b>	<b>-0.64</b>
<b>2. Non- Institutions</b>									
a) Bodies corporate	1094033	5236	1099269	9.61	1110319	5236	1115555	9.68	0.07
b) Individuals									
i) Individuals holding nominal share capital upto Rs.1 lakh	810393	227619	1038012	9.07	807140	220295	1027435	8.91	-0.16
ii) Individuals holding nominal share capital in excess of Rs.1 lakh	288213	0	288213	2.52	365481	0	365481	3.17	0.65
c) Others									
Clearing Members	1206	0	1206	0.01	4403	0	4403	0.04	0.03
F C B	38803	0	38803	0.34	38803	0	38803	0.34	0.00
Non Resident Indians	105830	73334	179164	1.57	59444	68757	128201	1.11	-0.45
NRI Non-Repatriation	0	0	0	0.00	28529	0	28529	0.25	0.25
Trusts	288	70	358	0.00	288	70	358	0.00	0.00
d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>2338766</b>	<b>306259</b>	<b>2645025</b>	<b>23.12</b>	<b>2414407</b>	<b>294358</b>	<b>2708765</b>	<b>23.50</b>	<b>0.38</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>3648236</b>	<b>313441</b>	<b>3961677</b>	<b>34.63</b>	<b>3660137</b>	<b>301540</b>	<b>3961677</b>	<b>34.37</b>	<b>-0.26</b>
<b>Total (A+B) :</b>	<b>11127144</b>	<b>313441</b>	<b>11440585</b>	<b>100.00</b>	<b>11226257</b>	<b>301540</b>	<b>11527797</b>	<b>100.00</b>	<b>0.00</b>
C. Shares held by custodians, against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
(1) Promoter and Promoter Group									
(2) Public	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>11127144</b>	<b>313441</b>	<b>11440585</b>	<b>100.00</b>	<b>11226257</b>	<b>301540</b>	<b>11527797</b>	<b>100.00</b>	<b>0.00</b>

## Asian Hotels (East) Limited

### (ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Shareholding at the end of the year 31/03/2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares s Pledged/ encumbered to total share	
1.	Saraf Industries Limited	3630630	31.73	0	3630630	31.49	0	-0.24
2.	Forex Finance Pvt. Ltd	3127072	27.33	0	0	0.00	0	-27.33
3.	Radhe Shyam Saraf	571930	5.00	0	3284680	28.49	0	23.49
4.	Ratna Saraf	133276	1.16	0	617347	5.36	0	4.19
5.	Umesh Saraf	16000	0.14	0	24731	0.21	0	0.07
6.	Arun Kumar Saraf	0	0.00	0	8732	0.08	0	0.08
	<b>Total</b>	<b>7478908</b>	<b>65.37</b>	<b>0</b>	<b>7566120</b>	<b>65.63</b>	<b>0</b>	<b>0.26</b>

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

SI. No.		Shareholding at the beginning of the year 1 <sup>st</sup> April, 2016		Cumulative Shareholding during the year 31 <sup>st</sup> March, 2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	7478908	65.37	7566120	65.63
	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):				
	At the end of the year	<b>7478908</b>	<b>65.37</b>	<b>7566120</b>	<b>65.63</b>

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

SI. No.	Name	Shareholding at the beginning of the year (01.04.2016)/end of the year (31.03.2017)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
1	Axis Bank Limited	640152	5.60	01/04/2016			640152	5.60
		15665	0.14	15/07/2016	15665	Transfer	624487	5.46
			0.00	31/03/2017		Nil Movement	624487	5.42
2	Birla Sun Life Insurance Company Limited	492262	4.30	01/04/2016			492262	4.30
		2760	0.02	08/04/2016	2760	Transfer	495022	4.33
		16967	0.15	15/07/2016	16967	Transfer	478055	4.18
		119	0.00	04/11/2016	119	Transfer	477936	4.18
		2003	0.02	17/02/2017	2003	Transfer	475933	4.13
		434	0.00	24/02/2017	434	Transfer	475499	4.12
		9934	0.09	03/03/2017	9934	Transfer	465565	4.04
		0.00	0.00	31/03/2017		Nil Movement	465565	4.04

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Sl. No.	Name	Shareholding at the beginning of the year (01.04.2016)/end of the year (31.03.2017)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
3	Whitepin Tie Up Limited	482065	4.21	01/04/2016			482065	4.21
			0.00	31/03/2017		Nil Movement	482065	4.18
4	Makalu Trading Ltd	136604	1.19	01/04/2016			136604	1.19
			0.00	31/03/2017		Nil Movement	136604	1.18
5	Life Insurance Corporation Of India	127599	1.12	01/04/2016			127599	1.12
			0.00	31/03/2017		Nil Movement	127599	1.11
6	Ramesh Kumar Jatia	75190	0.66	01/04/2016			75190	0.66
			0.00	31/03/2017		Nil Movement	75190	0.65
7	Smita Rameshkumar Jatia	57350	0.50	01/04/2016			57350	0.50
			0.00	31/03/2017		Nil Movement	57350	0.50
8	Ashtek Consultancy Private Limited	55005	0.48	01/04/2016			55005	0.48
		486	0.00	06/05/2016	486	Transfer	55491	0.49
		244	0.00	20/05/2016	244	Transfer	55735	0.49
		2091	0.02	09/09/2016	2091	Transfer	57826	0.51
		705	0.01	09/12/2016	705	Transfer	58531	0.51
		52	0.00	20/01/2017	52	Transfer	58583	0.51
		77	0.00	17/02/2017	77	Transfer	58506	0.51
		68	0.00	24/02/2017	68	Transfer	58438	0.51
			0.00	31/03/2017		Nil Movement	58438	0.51
9	Burmans Finvest Private Limited	54000	0.47	01/04/2016			54000	0.47
			0.00	31/03/2017		Nil Movement	54000	0.47
10	Superways Investment and Finance Private Limited	44083	0.39	01/04/2016			44083	0.39
			0.00	31/03/2017		Nil Movement	44083	0.38



*Asian Hotels (East) Limited*

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2016)/ end of the year (31.03.2017)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
A.	Directors:							
1.	Radhe Shyam Saraf Non-Executive Chairman	571930	5.00	01/04/2016			571930	5.00
		2712750	23.49	07/09/2016	2712750	Merger	3284680	28.49
		3284680	28.49	31/03/2017	0		3284680	28.49
2.	Arun K Saraf Joint Managing Director	0	0.00	01/04/2016			0	0.00
		8732	0.08	07/09/2016	8732	Merger	8732	0.08
		8732	0.08	31/03/2017			8732	0.08
3.	Umesh Saraf Joint Managing Director	16000	0.14	01/04/2016				
		8731	0.07	07/09/2016	8731	Merger	24731	0.21
		24731	0.21	31/03/2017			24731	0.21
4.	Rama Shankar Jhavar Independent Non-Executive Director	0	0.00	01/04/2016				
		0	0.00	31/03/2017	0	Nil movement during the year	0	0.00
5.	Padam K Khaitan Independent Non-Executive Director	0	0.00	01/04/2016				
		0	0.00	31/03/2017	0	Nil movement during the year	0	0.00
6.	A. C. Chakrabortti Independent Non-Executive Director	0	0.00	01/04/2016				
		0	0.00	31/03/2017	0	Nil movement during the year	0	0.00
7.	Rita Bhimani Independent/ Women Director	0	0.00	01/04/2016				
		0	0.00	31/03/2017	0	Nil movement during the year	0	0.00

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Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2016) / end of the year (31.03.2017)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
B.	Key Managerial Personnel's :							
1.	Bimal Kumar Jhunjhunwala CFO & Vice-President Corporate Finance	0	0.00	01/04/2016				
		0	0.00	31/03/2017	0	Nil movement during the year	0	0.00
2.	Saumen Chatterjee Chief Legal Officer & Company Secretary	0	0.00	01/04/2016				
		0	0.00	31/03/2017	0	Nil movement during the year	0	0.00

**V. INDEBTEDNESS**

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

(Rs. in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	131.94	NIL	NIL	131.94
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total(i + ii + iii)</b>	<b>131.94</b>	<b>NIL</b>	<b>NIL</b>	<b>131.94</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	NIL	NIL	NIL	NIL
Reduction	131.94	NIL	NIL	131.94
<b>Net Change</b>	<b>131.94</b>	<b>NIL</b>	<b>NIL</b>	<b>131.94</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total(i + ii + iii)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

*Asian Hotels (East) Limited*

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager : (Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager		Total Amount
		Umesh Saraf	Arun K Saraf	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	70.48	122.00	192.48
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	11.69	NIL	11.69
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961			
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	– as % of profit	NIL	NIL	NIL
	– others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	82.17	122.00	204.17
	Ceiling as per the Act (under Section 198 of the Companies Act, 2013)	NA	NA	NA

B. Remuneration to other directors (Rs.in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Padam K Khaitan	R. S. Jhawar	A. C. Chakrabortti	Radhe Shyam Saraf	Ms. Rita Bhimani	
1.	Independent Directors						
	– Fee for attending board/committee meetings	2.80	4.30	4.30	NIL	2.80	14.20
	– Commission	NIL	NIL	NIL	NIL	NIL	NIL
	– Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	2.80	4.30	4.30	NIL	2.80	14.20
2.	Other Non-Executive Directors						
	– Fee for attending board/committee meetings	NIL	NIL	NIL	0.50	NIL	0.50
	– Commission	NIL	NIL	NIL	NIL	NIL	NIL
	– Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	0.50	NIL	0.50
	Total (B)=(1+2)	2.80	4.30	4.30	0.50	2.80	14.70
	Total Managerial Remuneration						14.70
	Overall Ceiling as per the Act (under Section 198 of the Companies Act, 2013)						

*Asian Hotels (East) Limited*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs. in lacs)

Sl. no.	Particulars of Remuneration	CEO	Key Managerial Personnel		Total
			Company Secretary - Saumen Chatterjee	CFO - Bimal K. Jhunjhunwala	
1	Gross salary	N.A.			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		33.83	38.06	71.89
	(b) Value of perquisites u/s17(2) of the Income-tax Act, 1961		0.22	0.22	0.44
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961		—	—	—
2	Stock Option		—	—	—
3	Sweat Equity		—	—	—
4	Commission				
	– as % of profit		—	—	—
	– others, specify...		—	—	—
5	Others, please specify		—	—	—
	Total	34.05	38.28	72.33	

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**PARTICULARS OF REMUNERATION**

The information 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 as amended :

**i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17:**

Directors	Ratio to Median Remuneration
Mr. R. S. Jhawar – Independent Non-Executive Director	1.78
Mr. A. C. Chakrabortti – Independent Non-Executive Director	1.78
Mr. Padam K Khaitan – Independent Non-Executive Director	1.14
Ms. Rita Bhimani – Independent Non-Executive Women Director	1.14
Mr. Radhe Shyam Saraf – Non-Executive Chairman	0.20
Mr. Arun K Saraf – Joint Managing Director	53.31
Mr. Umesh Saraf – Joint Managing Director	52.71

**ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2016-17:**

Name of Person	% Increase in remuneration
Mr. R. S. Jhawar	34.37%
Mr. A. C. Chakrabortti	22.86%
Mr. Padam K Khaitan	75%
Ms. Rita Bhimani	33.33%
Mr. Radhe Shyam Saraf	0%
Mr. Arun K Saraf	-2.58%
Mr. Umesh Saraf	-2.87%
Mr. Bimal Kumar Jhunjhunwala, CFO & Vice-President Corporate Finance	6.14%
Mr. Saumen Chatterjee Chief Legal Officer & Company Secretary	16.83%

Remuneration of Independent Directors and Chairman only includes sitting fees for attending board & committee meetings of the Company.

**iii) the percentage increase in the median remuneration of employees in the financial year 2016-17: 10.93%**

**iv) the number of permanent employees on the rolls of company: 292**

**v) average percentile increase already 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 remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentile increase in the salaries of employees other than the managerial personnel in 2016-17 was 5%. Percentage decrease in the managerial remuneration for the year was 1.14%.

**vi) affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

*Asian Hotels (East) Limited*

To  
The Board of Directors  
Asian Hotels (East) Limited  
Hyatt Regency Kolkata,  
JA-1, Sector - III,  
Salt Lake City  
Kolkata 700 098.

Dear Sirs,

**Sub: Compliance Certificate furnished by Joint Managing Director and CFO & Vice President-Corporate Finance of the Company as for the quarter ended (Q4) and financial year ended 31<sup>st</sup> March, 2017 as per Part-B of Schedule II of Regulation 17(8) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

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We, the undersigned, in our capacities as the Joint Managing Director & CFO & Vice President - Corporate Finance of Asian Hotels (East) Limited (the Company) to the best of our knowledge and belief certify that:

- (a) We have reviewed the Financial Statements, Financial Results and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2017:
- (i) These statements do not contain any materially untrue or false statement or omit any material fact or contain statements that might be misleading.
  - (ii) These statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws & regulations.
- (b) That, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violating the Company's code of conduct.
- (c) We are responsible for establishing & maintaining Internal Controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of such internal control system, if any, and that we have taken the required steps to rectify these deficiencies.
- (d) We have indicated, based on our evaluation, wherever applicable, to the Auditors and the Audit Committee:
- (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of fraud which we have become aware and the involvement therein, if any, of management or an employee having significant role in the Company's internal control system over financial reporting.

For **Asian Hotels (East) Limited**

Kolkata  
25th May, 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN: 00017985)

**Bimal K Jhunjunwala**  
CFO & Vice President-Corporate Finance

## *Asian Hotels (East) Limited*

### **DECLARATION**

In compliance with Part D of Schedule V of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Umesh Saraf, Joint Managing Director of the Company hereby declare on the basis of information furnished to me that all members of Board of Directors and Senior Management have affirmed in writing the compliance of their respective Code of Conduct adopted by the Board for the Financial Year 2016-17.

For **Asian Hotels (East) Limited**

Place: Kolkata  
25th May, 2017

**Umesh Saraf**  
Joint Managing Director  
(DIN: 00017985)

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### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of Asian Hotels (East) Limited

We have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31<sup>st</sup> March, 2017 as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of 46, para C, D and E of Schedule V and any other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with the relevant records/documents maintained by the Company furnished to us for our review and report on Corporate Governance as approved by the Board of Directors.

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

In our opinion and to the best of our information and according to the explanations given to us and representation made by the Directors and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015.

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

Kolkata  
25th May, 2017

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No: 000756N

**Neeraj Bansal**  
Partner  
Membership No. 095960

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED**

#### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying Standalone Financial Statements of Asian Hotels (East) Limited ("the Company") which comprises the Balance Sheet as at 31st March, 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatements, 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 specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the Standalone Ind AS financial statements, whether due to error or fraud. 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 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 aforesaid 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, including the Ind AS, of the financial position of the Company as at 31st March, 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



*Asian Hotels (East) Limited*

- c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the 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 relevant Rules issued thereunder;
- e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its Standalone Ind AS financial positions in its Standalone Ind AS financial statements as referred in Note no. 42 of the Standalone Ind AS financial statements;
  - ii. The Company has no material foreseeable losses on long-term contracts including derivative contracts;
  - iii. No amount is required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosure in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and on the basis of information & explanation provided these are in accordance with the books of accounts maintained by the Company. Refer Note 32 to the Ind AS financial statements.

Place: Kolkata  
Date: 25th May 2017

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No: 000756N

**Neeraj Bansal**  
Partner  
Membership No: 095960

**ANNEXURE – “A” TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED**

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

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; Discrepancies noticed on the verification of fixed assets have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such physical verification;
- (iii) The Company has granted unsecured loans/advances to Companies, or other parties covered in the register maintained under section 189 of the Companies Act, 2013. With respect to the said loans/advances, we have to state that:
- (a) In our opinion the terms and conditions of the grant of such loans/advances are not prejudicial to the Company's interest;
- (b) These unsecured loans/advances are repayable on demand. There is no stipulation as to interest.
- (c) The total amount overdue for more than ninety days is Nil;
- (iv) The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees or securities, wherever transacted and applicable.
- (v) The Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed hereunder are not applicable.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provision is not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us the dues outstanding in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax, on account of disputes are as follows:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (In ₹)</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates</b>
Finance Act, 1994	Service Tax	4,374,245	Commissioner(Appeals)	Prior to FY 2004-05
Finance Act, 1994	Service Tax	59,09,585	Service Tax Tribunal	FY 2003-04 to FY 2006-07
Finance Act, 1994	Service Tax	26,753,749	Commissioner of Service Tax	FY 2007-08 to FY 2009-10
Finance Act, 1994	Service Tax	6,836,585	Commissioner of Service Tax	FY 2008-09 to FY 2012-13
Finance Act, 1994	Service Tax	348,656	Commissioner of Service Tax	FY 2006-07 to FY 2013-14
Finance Act, 1994	Service Tax	7,644,193	Commissioner of Service Tax	FY 2013-14
West Bengal Sales Tax Act, 1994	Sales Tax	5,683,418	Commissioner of West Bengal Sales tax	FY 2012-13
West Bengal Value Added Tax Act, 2003	VAT	396,345	Commissioner of West Bengal VAT	FY 2012-13
Income Tax Act, 1961	Income Tax	16,906,870	CIT ( Appeals)	FY 2011-12
Income Tax Act, 1961	Income Tax	12,273,270	CIT (Appeals)	FY 2012-13
Income Tax Act, 1961	Income Tax	12,304,560	CIT (Appeals)	F.Y. 2013-14
Employees State Insurance Act, 1948	ESI	2,180,235	ESIC	FY 2004-05
Employees State Insurance Act, 1948	ESI	68,080	ESIC	F.Y. 1996-97 to F.Y. 2016-17

## *Asian Hotels (East) Limited*

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders, if any.
- (ix) No money has been raised by way of initial public offer or further public offer (including debt instruments). Further, term loans were applied for the purposes for which those are raised.
- (x) No fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year;
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company, hence clause (xii) of the Order is not applicable to the Company;
- (xiii) All transactions with the related parties have been in compliance with sections 177 and 188 of the Companies Act, 2013, as applicable and the details have disclosed in the Financial Statements as required by the applicable accounting standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully & partly convertible debentures during the year under review. The requirement of section 42 of the Companies Act, 2013 need not be complied with.
- (xv) The Company has not entered into non-cash transactions with directors and persons connected with him. In this respect, the provisions of section 192 of Companies Act, 2013 need not be complied with;
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata  
Date: 25th May 2017

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No: 000756N

**Neeraj Bansal**  
Partner  
Membership No: 095960

**Annexure B to the Independent Auditor's Report to the members of ASIAN HOTELS (EAST) LIMITED**

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

We have audited the internal financial controls over financial reporting of **ASIAN HOTELS (EAST) LIMITED** ("the Company") as of March 31, 2017 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 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.

**Auditors' Responsibility**

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

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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

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

**Opinion**

In our opinion, the 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, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No: 000756N

**Neeraj Bansal**  
Partner  
Membership No: 095960

Place: Kolkata  
Date: 25th May 2017

*Asian Hotels (East) Limited*

CIN: L15122WB2007PLC162762

**BALANCE SHEET as at 31st March 2017**

Particulars	Note	Amount in ₹		
		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>ASSETS</b>				
<b>(1) Non - current assets</b>				
(a) Property, plant and equipment	3	<b>1,161,792,199</b>	1,236,115,966	1,286,619,233
(b) Capital work in progress	4	<b>90,450</b>	16,342,029	18,099,792
(c) Financial assets				
(i) Investments	5	<b>3,773,867,363</b>	3,369,640,784	3,369,640,784
(ii) Other financial assets	6	<b>11,537,025</b>	11,635,000	11,756,445
(d) Income tax assets (net)	7	<b>85,501,434</b>	67,778,856	14,175,308
(e) Other non-current assets	8	<b>274,879</b>	233,834	14,296,719
		<b>5,033,063,350</b>	4,701,746,469	4,714,588,281
<b>(2) Current assets</b>				
(a) Inventories	9	<b>2,63,66,280</b>	1,84,71,456	15,537,637
(b) Financial assets				
(i) Investments	5	<b>664,449,739</b>	1,945,611,534	2,146,288,694
(ii) Trade receivables	10	<b>57,612,270</b>	53,465,736	33,370,583
(iii) Cash and cash equivalents	11	<b>49,585,412</b>	49,491,299	37,495,617
(iv) Loans	12	<b>3,277,975,549</b>	3,852,820,549	3,838,565,133
(v) Other financial assets	6	<b>12,166,013</b>	13,998,342	14,126,424
(c) Other current assets	8	<b>25,748,700</b>	33,063,279	3,11,47,099
		<b>4,113,903,963</b>	5,966,922,195	6,116,531,187
<b>Total Assets</b>		<b>9,146,967,313</b>	10,668,668,664	10,831,119,468
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	13	<b>115,277,970</b>	114,405,850	114,405,850
(b) Other equity	14	<b>8,770,056,839</b>	8,842,693,765	8,727,614,800
		<b>8,885,334,809</b>	8,957,099,615	8,842,020,650
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	15	-	-	1,650,000,000
(ii) Trade payables	16	-	-	2,482,565
(iii) Other financial liabilities	17	<b>1,574,000</b>	2,227,500	1,985,500
(b) Provisions	18	<b>1,987,7612</b>	13,748,445	15,120,328
(c) Deferred tax liabilities (net)	19	<b>102,166,952</b>	164,265,446	173,422,076
		<b>123,618,564</b>	180,241,391	1,84,30,10,469
<b>(2) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	15	-	72,835,905	-
(ii) Trade payables	16	<b>85,352,522</b>	88,990,063	99,191,585
(iii) Other financial liabilities	17	<b>19,449,024</b>	1,336,031,522	20,692,656
(b) Provisions	18	<b>3,091,294</b>	5,461,102	2,104,343
(c) Other current liabilities	20	<b>30,121,100</b>	28,009,066	24,099,765
		<b>138,013,940</b>	1,531,327,658	146,088,349
<b>Total Equity &amp; Liabilities</b>		<b>9,146,967,313</b>	10,668,668,664	10,831,119,468

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

CIN: L15122WB2007PLC162762

**STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2017**

			Amount in ₹	
Particulars	Note	Year ended 31.03.2017	Year ended 31.03.2016	
I	Revenue from operations	21	<b>983,179,371</b>	980,926,272
II	Other income	22	<b>87,927,684</b>	150,689,868
III	<b>Total income</b>		<b>1,071,107,055</b>	1,131,616,140
IV	Expenses			
	Consumption of provisions, beverages, smokes & others	23	<b>132,022,685</b>	128,380,351
	Employee benefits expenses	24	<b>200,292,418</b>	188,069,182
	Finance cost	25	<b>5,005,323</b>	156,296,455
	Depreciation and amortization expenses	3	<b>63,779,181</b>	68,533,473
	Other expenses	26	<b>467,489,988</b>	437,959,877
	<b>Total expenses</b>		<b>868,589,595</b>	979,239,338
V	Profit / (loss) before exceptional items and tax		<b>202,517,460</b>	152,376,802
VI	Exceptional items		<b>33,623,719</b>	-
VII	<b>Profit / (loss) before tax</b>		<b>168,893,741</b>	152,376,802
VIII	Tax expense	27		
	(1) Current tax		<b>52,331,941</b>	17,171,862
	(2) Deferred tax		<b>-12,189,422</b>	-5,216,615
	(3) MAT Credit		-	-4,097,341
	(4) Tax for earlier years		<b>-826,826</b>	2,204,927
IX	<b>Profit / (loss) for the period</b>		<b>129,578,048</b>	142,313,969
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit liability		<b>-24,686</b>	465,246
	Equity instruments through other comprehensive income		<b>22,806,801</b>	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>8,543</b>	-161,012
	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		-	-
			<b>22,790,658</b>	304,234
XI	<b>Total comprehensive income for the period</b>		<b>152,368,706</b>	142,618,203
XII	<b>Earnings per equity share</b>			
	(1) Basic	28	<b>11.28</b>	12.44
	(2) Diluted	28	<b>11.28</b>	12.44

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

**STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2017**

Particulars	Amount in ₹											
	Equity Share Capital	Reserves and Surplus					Other Equity			Other Comprehensive Income		Total equity attributable to equity holders of the Company
		Retained earnings	General Reserve	Securities premium account	Capital Redemption Reserve	Capital reserve	Equity instruments through other comprehensive income	Other items of other comprehensive income				
<b>As at 01.4.2015</b>	<b>114,405,850</b>	<b>2,263,686,819</b>	<b>6,447,174,116</b>	<b>14,612,822</b>	<b>2,000,000</b>	<b>141,043</b>	-	-	-	<b>8,842,020,650</b>		
Change in equity for the year ended March 31, 2016	-	142,313,969	-	-	-	-	-	-	-	142,313,969		
Profit for the period	-	-22,881,170	-	-	-	-	-	-	-	-22,881,170		
Dividend	-	-4,658,068	-	-	-	-	-	-	-	-4,658,068		
Corporate dividend tax	-	-	-	-	-	-	-	-	-	-		
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	-	304,234	304,234		
Profit transferred to general reserve	-	-15,000,000	15,000,000	-	-	-	-	-	-	-		
<b>As at 31.3.2016</b>	<b>114,405,850</b>	<b>2,363,461,550</b>	<b>6,462,174,116</b>	<b>14,612,822</b>	<b>2,000,000</b>	<b>141,043</b>	-	-	<b>304,234</b>	<b>8,957,099,615</b>		
Change in equity for the year ended March 31, 2017	-	-	-	-	-	-	-	-	-	-		
Shares issue during the year	32,142,840	-	-	-	-	-	-	-	-	32,142,840		
Shares cancelled on merger	-31,270,720	-	-	-	-	-	-	-	-	-31,270,720		
Profit for the period	-	129,578,048	-	-	-	-	-	-	-	129,578,048		
Dividend	-	-22,881,170	-	-	-	-	-	-	-	-22,881,170		
Corporate dividend tax	-	-4,658,068	-	-	-	-	-	-	-	-4,658,068		
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	-	-16,143	-16,143		
Equity instruments through OCI	-	-	-	-	-	-	-	22,806,801	-	22,806,801		
Share premium reserve utilised on cancellation of shares	-	-983,253,246	-	-	-	-	-	-	-	-983,253,246		
Addition on account of merger	-	280,930,829	121,611,685	-	-	417,857,160	-	-	-	820,400,674		
Profit transferred to general reserve	-	-15,000,000	15,000,000	-	-	-	-	-	-	-		
<b>As at 31.3.2017</b>	<b>115,277,970</b>	<b>2,711,431,189</b>	<b>5,615,532,555</b>	-	<b>2,000,000</b>	<b>417,998,203</b>	-	<b>22,806,801</b>	<b>288,091</b>	<b>8,885,334,809</b>		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

# Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

## CASH FLOW STATEMENT for the year ended 31st March 2017

Particulars	Amount in ₹	
	Year ended 31.03.2017	Year ended 31.03.2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	168,893,741	152,376,802
Adjustment for :		
Depreciation/amortization	63,779,181	68,533,473
Loss/(profit) on sale of fixed assets	328,620	1,266,808
Interest expense	5,005,221	155,070,956
Other borrowing cost	-	1,094,400
Provision for bad and doubtful debts	1,199,223	1,379,969
Excess provision written back	-1,214,360	-52
Provision for gratuity	2,272,004	2,306,705
Provision for leave encashment	1,462,669	143,417
Interest income	-20,862,097	-22,942,007
Dividend income	-11,542,125	-180,405
Exceptional items	33,623,719	-
Fair value gain on mutual funds	-54,059,102	-126,507,632
<b>Operating profit before working capital changes</b>	<b>188,886,694</b>	<b>232,542,434</b>
Movements in working capital :		
Increase/(decrease) in current trade payables	-3,637,541	-10,201,470
Increase/(decrease) in non-current trade payables	-	-2,482,565
Increase/(decrease) in other current financial liabilities	-53,970,348	-4,557,417
Increase/(decrease) in other non-current financial liabilities	-653,500	242,000
Increase/(decrease) in other current liabilities	2,112,034	3,909,301
Decrease/(increase) in trade receivables	-4,131,397	-21,475,122
Decrease/(increase) in inventories	-7,894,824	-2,933,819
Decrease/(increase) in other financial assets	117,000	121,445
Decrease/(increase) in current loans	32,200	72,763
Decrease/(increase) in other assets	7,314,579	12,083,819
<b>Cash generated from/(used in) operations</b>	<b>128,174,897</b>	<b>207,321,369</b>
Less: Direct taxes paid	58,240,321	72,984,023
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>69,934,576</b>	<b>134,337,346</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	-7,727,581	-19,514,238
Decrease/(Increase) in capital work in progress	477,132	1,757,763
Decrease/(Increase) in capital advance	-41,045	62,885
Proceeds from sale of fixed assets	94,276	217,224
Purchase of current investments	-1,315,440,143	-72,826,137
Proceeds from sale/maturity of current investments	2,657,935,055	400,010,930
Non-current loans repaid/(given)	597,212,800	-14,328,179
Interest received	22,694,426	23,070,089
Dividend received	11,542,125	180,405
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>1,966,747,045</b>	<b>318,630,742</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	-2,004,474,259	-330,561,646
Proceeds from borrowings	-	72,835,905
Interest paid on borrowings	-5,005,221	-155,070,956
Payment of other borrowing cost	-	-1,094,400
Dividend paid on shares	-22,449,960	-22,423,241
Tax on dividend paid	-4,658,068	-4,658,068
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>-2,036,587,508</b>	<b>-440,972,406</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>94,113</b>	<b>11,995,682</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>49,491,299</b>	<b>37,495,617</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>49,585,412</b>	<b>49,491,299</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
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**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala**  
CFO & Vice President - Corporate Finance

**Saumen Chatterjee**  
Chief Legal Officer & Company Secretary



## **Notes to Financial Statements for the Year Ended 31st March 2017**

### **1. Company Overview and Significant Accounting Policies**

#### **1.1 Company overview**

Asian Hotels (East) Limited is a Public Limited Company listed with Bombay Stock Exchange and National Stock Exchange and is primarily engaged in the Hotel business through "Hyatt Regency Kolkata" a five-star Hotel situated in the city of Kolkata.

#### **1.2. Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

These financial statements are the first financial statements of the company under Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.1.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **1.3 Functional & Presentation Currency**

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency.

#### **1.4 Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### **1.5 Significant Accounting Policies**

##### **a. Property Plant & Equipment:**

Under the previous Indian GAAP, property plant and equipment were carried in the balance sheet on the basis of historical cost. The company has regarded the same as deemed cost and presented same values in Ind- AS compliant financials.

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction 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 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. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is calculated on a straight-line basis using the rates based on the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013. If the asset is purchased on or before the 15th of month depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase. No depreciation is charged for the quarter on the assets sold/ discarded during the year.

##### **b. Investments in Subsidiaries**

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company's investment in the equity shares of its subsidiaries are recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries are recognized at fair value.

##### **c. Inventories**

Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion & selling expenses.

**Notes to Financial Statements for the Year Ended 31st March 2017**

**d. 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 recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

**Subsequent measurement**

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

- (i) Financial Asset at amortized cost
- (ii) Financial Asset At Fair value through other comprehensive income
- (iii) Financial Asset at Fair value through profit and loss

**Financial Asset at amortized cost**

A 'Financial Asset' is measured at the amortized 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit or loss.

**Financial Asset at Fair value through OCI**

A 'Financial Asset' 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.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

**Financial Asset at fair value through profit or loss**

FVTPL is a residual category for Financial Assets. Any financial asset, 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 Financial asset, 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').

**Equity Instruments**

All the equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. 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.

**Derecognition of Financial asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

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

## **Notes to Financial Statements for the Year Ended 31st March 2017**

### **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')
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

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.

### **Financial Liabilities**

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

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For financial liabilities maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

#### **Subsequent Measurement**

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

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

##### **Financial Liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

#### **e. Cash and Cash Equivalents**

Cash and Cash Equivalent in 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.

#### **f. Provisions, Contingent liabilities**

Provisions are recognized 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. The expense relating to a provision is presented in the statement of profit and loss.

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 recognized as a finance cost.

A contingent liability is disclosed in case of;

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible ;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

## **Notes to Financial Statements for the Year Ended 31st March 2017**

### **g. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow 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.

### **h. Other Income**

Other income is comprised primarily of interest income, dividend income, gain on sale of investments and exchange gain/loss on translation of assets and liabilities. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recognised using the effective interest rate (EIR). Dividend income is recognised when right to receive payment is established.

### **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 are capitalized 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. Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### **k. Earnings per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity shares during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning 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.

### **l. 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 fulfillment 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 2014, 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

## **Notes to Financial Statements for the Year Ended 31st March 2017**

Company's general policy on the borrowing cost. 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.

### **m. Fair Value Measurement**

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.

### **n. Employee benefits**

**Provident Fund:** 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.

**Gratuity & Leave Encashment (Unfunded):** Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by an independent actuary using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

### **o. Foreign Currencies**

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their 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).

### **p. Dividend**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## **2.1 First-time adoption of Ind-AS**

These are the company's first financial statements prepared in accordance with Ind AS. For the year ended 31st March 2016, the company had prepared its financial statements in accordance with Companies (Accounting Standard) Rules 2006, notified under Section 133 of the Act and other relevant provisions of the Act (previous GAAP).

The accounting policies set out in note 1.5 have been applied in preparing the financial statements for the year ended 31 March 2017, including the comparative information for the year ended 31 March 2016 and then opening Ind AS balance sheet on the date of transition i.e. 1st April 2015.

In preparing its Ind AS balance sheet as at 1st April 2015 and in presenting the comparative information for the year end 31st March 2016, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in note 2.2, 2.3 & 2.4.

### **Exemptions and exceptions availed**

#### **Exemptions**

#### **Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at previous IGAAP value.

## *Asian Hotels (East) Limited*

CIN: L15122WB2007PLC162762

### **Notes to Financial Statements for the Year Ended 31st March 2017**

#### **Investments in subsidiaries**

The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries, associates and joint ventures are recognized at fair value.

#### **Estimates**

The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

FVTOCI - equity shares

Amortised cost - debt securities

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 2015, the date of transition to Ind AS and as of 31 March 2016.

#### **Exceptions**

##### **Classification and measurement of financial assets**

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exists at the date of transition to Ind -AS.

# Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

## RECONCILIATION OF BALANCE SHEET as at 1st April 2015

Note: 2.2

Amount in ₹

Particulars	IGAAP as at 01.04.2015	Effect of transition to Ind-AS	Ind AS as at 01.04.2015
<b>ASSETS</b>			
(1) <b>Non - current assets</b>			
(a) Property, plant and equipment	1,286,619,233	-	1,286,619,233
(b) Capital work in progress	18,099,792	-	18,099,792
(c) Financial assets			
(i) Investments	3,369,640,784	-	3,369,640,784
(ii) Other financial assets	11,756,445	-	11,756,445
(d) Income tax assets (net)	14,175,308	-	14,175,308
(e) Other non-current assets	14,296,719	-	14,296,719
	<u>4,714,588,281</u>	<u>-</u>	<u>4,714,588,281</u>
(2) <b>Current assets</b>			
(a) Inventories	15,537,637	-	15,537,637
(b) Financial assets			
(i) Investments	1,808,037,074	338,251,620	2,146,288,694
(ii) Trade receivables	33,370,583	-	33,370,583
(iii) Cash and cash equivalents	37,495,617	-	37,495,617
(iv) Loans	3,838,565,133	-	3,838,565,133
(v) Other financial assets	14,126,424	-	14,126,424
(c) Other current assets	31,147,099	-	31,147,099
	<u>5,778,279,567</u>	<u>338,251,620</u>	<u>6,116,531,187</u>
<b>Total assets</b>	<b>10,492,867,848</b>	<b>338,251,620</b>	<b>10,831,119,468</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	114,405,850	-	114,405,850
(b) Other equity	8361,823,942	365,790,858	8,727,614,800
	<u>8,476,229,792</u>	<u>365,790,858</u>	<u>8,842,020,650</u>
<b>LIABILITIES</b>			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	1,650,000,000	-	1,650,000,000
(ii) Trade payables	2,482,565	-	2,482,565
(iii) Other financial liabilities	1,985,500	-	1,985,500
(b) Provisions	15,120,328	-	15,120,328
(c) Deferred tax liabilities (net)	173,422,076	-	173,422,076
	<u>1,843,010,469</u>	<u>-</u>	<u>1,843,010,469</u>
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	-	-	-
(ii) Trade payables	99,191,585	-	99,191,585
(iii) Other financial liabilities	20,692,656	-	20,692,656
(b) Provisions	29,643,581	-27,539,238	2,104,343
(c) Other current liabilities	24,099,765	-	24,099,765
	<u>173,627,587</u>	<u>(27,539,238)</u>	<u>146,088,349</u>
<b>Total Equity &amp; Liabilities</b>	<b>10,492,867,848</b>	<b>338,251,620</b>	<b>10,831,119,468</b>

### Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

#### Investments

Investments in units of mutual funds and equity shares are carried at fair value through profit & loss in Ind AS compared to being carried at cost under IGAAP.

#### Provisions

Under previous GAAP, dividends proposed by the board of directors after reporting date but before the approval of financial statements were considered to be adjusting event and accordingly recognised (along with related dividend distribution tax) as liabilities at the reporting date. Under Ind AS, dividends so proposed by the board are considered to be non adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed.

#### Other equity

Adjustments to retained earnings has been made in accordance with Ind AS, for the above mentioned line item.

# Asian Hotels (East) Limited

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## RECONCILIATION OF BALANCE SHEET as at 31st March 2016

Note: 2.3

Amount in ₹

Particulars	IGAAP as at 31.03.2016	Effect of transition to Ind-AS	Ind AS as at 31.03.2016
<b>ASSETS</b>			
<b>(1) Non - current assets</b>			
(a) Property, plant and equipment	1,236,115,966	-	1,236,115,966
(b) Capital work in progress	16,342,029	-	16,342,029
(c) Financial assets			
(i) Investments	3,369,640,784	-	3,369,640,784
(ii) Other financial assets	11,635,000	-	11,635,000
(d) Income tax assets (net)	67,778,856	-	67,778,856
(e) Other non-current assets	233,834	-	233,834
	<u>4,701,746,469</u>	<u>-</u>	<u>4,701,746,469</u>
<b>(2) Current assets</b>			
(a) Inventories	18,471,456	-	18,471,456
(b) Financial assets			
(i) Investments	1,546,657,897	398,953,637	1,945,611,534
(ii) Trade receivables	53,465,736	-	53,465,736
(iii) Cash and cash equivalents	49,491,299	-	49,491,299
(iv) Loans	3,852,820,549	-	3,852,820,549
(v) Other financial assets	13,998,342	-	13,998,342
(c) Other current assets	33,063,279	-	33,063,279
	<u>5,567,968,558</u>	<u>398,953,637</u>	<u>5,966,922,195</u>
<b>Total assets</b>	<b>10,269,715,027</b>	<b>398,953,637</b>	<b>10,668,668,664</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	114,405,850	-	114,405,850
(b) Other equity	8,416,175,183	426,518,582	8,842,693,765
	<u>8,530,581,033</u>	<u>426,518,582</u>	<u>8,957,099,615</u>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	-	-	-
(ii) Trade payables	-	-	-
(iii) Other financial liabilities	2,227,500	-	2,227,500
(b) Provisions	13,748,445	-	13,748,445
(c) Deferred tax liabilities (net)	164,265,446	-	164,265,446
	<u>180,241,391</u>	<u>-</u>	<u>180,241,391</u>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	72,835,905	-	72,835,905
(ii) Trade payables	88,990,063	-	88,990,063
(iii) Other financial liabilities	1,336,031,522	-	1,336,031,522
(b) Provisions	33,026,047	-27,564,945	5,461,102
(c) Other current liabilities	28,009,066	-	28,009,066
	<u>1,558,892,603</u>	<u>-27,564,945</u>	<u>1,531,327,658</u>
<b>Total Equity &amp; Liabilities</b>	<b>10,269,715,027</b>	<b>398,953,637</b>	<b>10,668,668,664</b>

### Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

#### Investments

Investments in units of mutual funds and equity shares are carried at fair value through profit & loss in Ind AS compared to being carried at cost under IGAAP.

#### Provisions

Under previous GAAP, dividends proposed by the board of directors after reporting date but before the approval of financial statements were considered to be adjusting event and accordingly recognised (along with related dividend distribution tax) as liabilities at the reporting date. Under Ind AS, dividends so proposed by the board are considered to be non adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed.

#### Other equity

Adjustments to retained earnings has been made in accordance with Ind AS, for the above mentioned line item.



*Asian Hotels (East) Limited*

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**RECONCILIATION OF STATEMENT OF PROFIT & LOSS for the year ended 31st March 2016**

**Note: 2.4**

Amount in ₹

Particulars	IGAAP Year ended 31.03.2016	Effect of transition to Ind-AS	Ind AS Year ended 31.03.2016
I Revenue from operations	980,926,272	-	980,926,272
II Other income	89,987,851	60,702,017	150,689,868
<b>III Total income</b>	<b>1,070,914,123</b>	<b>60,702,017</b>	<b>1,131,616,140</b>
IV Expenses			
Consumption of provisions, beverages, smokes & others	128,380,351	-	128,380,351
Employee benefits expenses	187,603,936	465,246	188,069,182
Finance cost	156,296,455	-	156,296,455
Depreciation and amortization expenses	68,533,473	-	68,533,473
Other expenses	437,959,877	-	437,959,877
<b>Total expenses</b>	<b>978,774,092</b>	<b>465,246</b>	<b>979,239,338</b>
V Profit / (loss) before exceptional items and tax	92,140,031	60,236,771	152,376,802
VI Exceptional items	-	-	-
<b>VII Profit / (loss) before tax</b>	<b>92,140,031</b>	<b>60,236,771</b>	<b>152,376,802</b>
VIII Tax expense			
(1) Current tax	17,171,862	-	17,171,862
(2) Deferred tax	-5,055,603	-161,012	-5,216,615
(3) MAT Credit	-4,097,341	-	-4,097,341
(4) Tax for earlier years	2,204,927	-	2,204,927
<b>IX Profit / (loss) for the period</b>	<b>81,916,186</b>	<b>60,397,783</b>	<b>142,313,969</b>
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	-	465,246	465,246
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-161,012	-161,012
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	-	-	-
	-	304,234	304,234
<b>XI Total comprehensive income for the period</b>	<b>81,916,186</b>	<b>60,702,017</b>	<b>142,618,203</b>

**Explanations for reconciliation of Statement of profit & loss as previously reported under IGAAP to INDAS**

**Other Income**

Adjustments reflect impact of valuation of investments in units of mutual fund and equity shares at fair value through profit & loss account as per Ind AS 109.

**Employee benefits expenses**

As per Ind AS 19 - Employee Benefits, actuarial gains and losses are recognised in other comprehensive income as compared to being recognised in the statement of profit and loss under IGAAP.

**Tax expense**

Tax component of actuarial gain and losses which is transferred to other comprehensive income under Ind As.

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**3. PROPERTY, PLANT & EQUIPMENT**

Amount in ₹

<b>Particulars</b>	<b>Leasehold Land</b>	<b>Building</b>	<b>Plant &amp; Equipment</b>	<b>Furniture &amp; Fixtures</b>	<b>Vehicles</b>	<b>Total</b>
<b>Gross Block (at cost )</b>						
As at 01.04.2015	267,042,819	996,691,755	738,534,222	178,441,847	10,232,339	2,190,942,982
Additions	-	2,325,345	13,082,323	4,106,570	-	19,514,238
Disposals	-	-	5,709,328	-	1,046,850	6,756,178
As at 31.03.2016	267,042,819	999,017,100	745,907,217	182,548,417	9,185,489	2,203,701,042
Additions	-	1,706,231	3,972,518	2,048,832	-	7,727,581
Disposals	-	-	17,695,067	37,79,190	-	21,474,257
<b>As at 31.03.2017</b>	<b>267,042,819</b>	<b>1,000,723,331</b>	<b>732,184,668</b>	<b>180,818,059</b>	<b>9,185,489</b>	<b>2,189,954,366</b>
<b>Depreciation</b>						
As at 01.04.2015	-	196,378,609	536,655,520	163,153,954	8,135,666	904,323,749
Charge for the year	-	16,272,041	50,098,422	1,421,128	741,882	68,533,473
Disposals	-	-	4,277,639	-	994,507	5,272,146
As at 31.03.2016	-	212,650,650	582,476,303	164,575,082	7,883,041	967,585,076
Charge for the year	-	16,250,187	45,665,811	1,529,959	333,224	63,779,181
Disposals	-	-	377,931	2,824,159	-	3,202,090
<b>As at 31.03.2017</b>	<b>-</b>	<b>228,900,837</b>	<b>627,764,183</b>	<b>163,280,882</b>	<b>8,216,265</b>	<b>1,028,162,167</b>
<b>Net Block</b>						
As at 01.04.2015	267,042,819	800,313,146	201,878,702	15,287,893	2,096,673	1,286,619,233
As at 31.03.2016	267,042,819	786,366,450	163,430,914	17,973,335	1,302,448	1,236,115,966
As at 31.03.2017	267,042,819	771,822,494	104,420,485	17,537,177	969,224	1,161,792,199

**4. CAPITAL WORK IN PROGRESS**

Amount in ₹

<b>Particulars</b>	<b>Building</b>	<b>Plant &amp; Equipment</b>	<b>Furniture &amp; Fixtures</b>	<b>Total</b>
As at 01.04.2015	18,099,792	-	-	18,099,792
Additions	567,582	-	-	567,582
Deductions	2,325,345	-	-	2,325,345
As at 31.03.2016	16,342,029	-	-	16,342,029
Additions	-	-	-	-
Deductions	16,251,579	-	-	16,251,579
<b>As at 31.03.2017</b>	<b>90,450</b>	<b>-</b>	<b>-</b>	<b>90,450</b>

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**5. INVESTMENTS**

Amount in ₹

<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non - current</b>			
Unquoted			
Investment in equity shares carried at cost			
Investment in equity shares of subsidiary - GJS Hotels Limited			
10,961,000 (previous year: 10,961,000) equity shares of ₹10/- each fully paid up	<b>2,346,365,000</b>	2,346,365,000	2,346,365,000
Investment in equity shares of subsidiary - Robust Hotels Private Limited			
30,010,000 (previous year: Nil) equity shares of ₹10/- each fully paid up	<b>300,175,000</b>	-	-
Investment in equity shares of subsidiary - Regency Convention Centre & Hotels Limited			
91,652 (previous year: 91,652) equity shares of ₹10/- each fully paid up	<b>257,901,724</b>	257,901,724	257,901,724
	<b>2,904,441,724</b>	2,604,266,724	2,604,266,724
Investment in preference shares carried at amortised cost			
Investment in preference shares of subsidiary - Robust Hotels Pvt. Ltd.			
4,300,000 (previous year: 4,300,000) 12% cumulative redeemable preference shares of ₹100/-each fully paid up	<b>615,374,060</b>	615,374,060	615,374,060
Quoted			
Investment carried at FVTOCI			
Investment in equity shares of Asian Hotels (West) Limited			
458,377 (previous year: Nil) equity shares of ₹10/- each fully paid up	<b>104,051,579</b>	-	-
Investment in Bonds of Indian Railways Financial Corporation Limited			
150,000 (previous year: 150,000) 8.23% tax free bonds of ₹1000/-each	<b>150,000,000</b>	150,000,000	150,000,000
	<b>254,051,579</b>	150,000,000	150,000,000
	<b>3,773,867,363</b>	3,369,640,784	3,369,640,784
Aggregate value of quoted investments	<b>254,051,579</b>	150,000,000	150,000,000
Aggregate value of unquoted investments	<b>3,519,815,784</b>	3,219,640,784	3,219,640,784
Aggregate amount of provision for diminution in value of investments	-	-	-

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**5. INVESTMENTS**

Amount in ₹

Particulars	As at	As at	As at	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
	No. of shares	No. of shares	No. of shares	₹	₹	₹
<b>Current</b>						
Quoted, fully paid up						
Investment in equity shares carried at FVTPL						
Ahlcons Parenterals Limited (FV ₹10 each)	-	-	800	-	-	412,000
Apcotex Industries Limited (FV ₹5 each)	-	-	300	-	-	149,475
Arman Financial Services Ltd. (FV ₹10 each)	-	-	1,500	-	-	186,000
Ashapura Minechem Ltd (FV ₹2 each)	-	-	6,600	-	-	484,440
Atul Auto Limited (FV ₹5 each)	-	-	1,254	-	-	697,914
Capital First Limited (FV ₹10 each)	-	-	3,122	-	-	1,246,927
DCM Shriram Ltd. (FV ₹2 each)	-	-	248	-	-	26,635
Dhanuka Agritech Limited (FV ₹2 each)	-	-	1,450	-	-	985,855
Gateway Distriparks Limited (FV ₹10 each)	-	-	1,423	-	-	584,711
Godrej Properties Ltd (FV ₹5 each)	-	-	1,050	-	-	263,708
Gujarat Pipavav Port Limited (FV ₹10 each)	-	-	6,872	-	-	1,663,368
Granules India Limited (FV ₹1 each)	-	-	5,650	-	-	481,098
Greenlam Industries Limited (FV ₹5 each)	-	-	825	-	-	362,546
Greenply Industries Limited (FV ₹5 each)	-	-	825	-	-	778,841
Indusind Bank Limited (FV ₹10 each)	-	-	1,177	-	-	1,042,822
Intec Capital Ltd. (FV ₹10 each)	-	-	747	-	-	63,495
IPCA Laboratories Ltd. (FV ₹2 each)	-	-	498	-	-	316,653
Jyothy Laboratories Limited (FV ₹1 each)	-	-	1,931	-	-	516,156
KPIT Technologies Limited (FV - ₹2 each)	-	-	3,793	-	-	714,981
M & M Financial Services Ltd.(FV ₹2 each)	-	-	1,436	-	-	364,600
Oriental Carbon & Chemicals Limited (FV ₹10 each)	-	-	3,364	-	-	1,515,818
Persistent Systems Limited (FV ₹10 each)	-	-	720	-	-	514,296
PTC India Financial Services Ltd (FV ₹10 each)	-	-	5,640	-	-	311,610
PVR Limited (FV ₹10 each)	-	-	701	-	-	464,693
Selan Exploration Technology Ltd (FV ₹10 each)	-	-	1,417	-	-	322,013
Shasun Pharmaceuticals Ltd (FV ₹2 each)	-	-	4,100	-	-	1,526,840
Shilpa Medicare Limited (FV ₹2 each)	-	-	1,524	-	-	1,513,561
Shriram Transport Finance Co. Ltd. (FV ₹10 each)	-	-	969	-	-	1,079,805
SMS Pharmaceuticals Ltd (FV ₹10 each)	-	-	536	-	-	270,734
Snowman Logistics Ltd. (FV ₹10 each)	-	-	2,700	-	-	229,500
South Indian Bank Limited (FV ₹1 each)	-	-	8,530	-	-	214,956
Sterling Holiday Resorts India Ltd (FV ₹10 each)	-	-	6,960	-	-	1,680,143
Strides Arcolab Limited (FV ₹10 each)	-	-	1,247	-	-	1,472,520
Sunteck Reality Limited (FV ₹2 each)	-	-	1,755	-	-	437,960
SQS India BFSI Limited (FV ₹10 each)	-	-	955	-	-	544,350
Uniply Industries Limited (FV ₹10 each)	-	-	8,570	-	-	308,092
<b>Total (A)</b>						<b>23,749,116</b>

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**5. INVESTMENTS**

Particulars	Amount in ₹					
	As at 31.03.2017 No. of units	As at 31.03.2016 No. of units	As at 01.04.2015 No. of units	As at 31.03.2017 ₹	As at 31.03.2016 ₹	As at 01.04.2015 ₹
Unquoted, fully paid up						
Investment carried at FVTPL						
In units of Mutual Funds						
DSP BlackRock Short Term Fund Regular Plan- Growth*	-	11,252,127	11,252,127	-	289,808,662	268,431,871
DHFL Pramerica (DWS) Short Maturity Fund - Growth*	-	8,101,478	8,101,478	-	220,363,435	203,987,108
HDFC Income Fund - Growth*	-	4,389,855	4,389,855	-	148,370,092	140,646,141
HDFC Income Fund - Growth	-	727,421	727,421	-	24,585,661	23,305,764
HDFC Liquid Fund - DDR	-	-	16,024	-	-	163,419
ICICI Prudential Dynamic Bond Fund - Growth*	-	11,208,615	11,208,615	-	189,543,286	175,355,421
ICICI Prudential Fixed Maturity Plan-Series 68#	-	10,000,000	10,000,000	-	127,216,000	117,315,000
Kotak Bond Scheme Plan A - Growth*	-	15,974,828	21,903,565	-	671,695,205	874,462,594
Kotak FMP Series 106-Growth #	-	7,341,116	7,341,116	-	93,309,255	85,949,052
Pramerica Liquid Fund	-	-	357	-	-	533,215
UTI Bond Fund-Growth Plan-Regular*	-	4,105,424	5,544,223	-	180,719,938	232,389,993
ICICI Prudential Flexible Income Plan-Daily Dividend Reinvestment	<b>1,887,968</b>	-	-	<b>199,625,766</b>	-	-
ICICI Prudential Savings Fund - Daily Dividend Reinvestment	<b>1,014,163</b>	-	-	<b>102,862,505</b>	-	-
UTI Short Term Income Fund-Institutional Plan - Growth	<b>13,007,280</b>	-	-	<b>259,345,659</b>	-	-
UTI Treasury Advantage Fund -Instt.-Plan-Daily Dividend Reinvestment	<b>102,368</b>	-	-	<b>102,615,809</b>	-	-
<b>Total (B)</b>				<b>664,449,739</b>	1,945,611,534	2,122,539,578
<b>Total (A+B)</b>				<b>664,449,739</b>	1,945,611,534	2,146,288,694
* Pledged against loan taken from ICICI Bank Limited (Refer Note 15)				-	1,700,500,618	1,895,273,128
# Pledged against overdraft facility taken from ICICI Bank Limited (Refer Note 15)					220,525,255	203,264,052
Aggregate amount of quoted investments				-	-	23,749,116
Aggregate amount of unquoted investments				<b>664,449,739</b>	1,945,611,534	2,122,539,578
Aggregate amount of adjustments to impairment in value of investments				-	-	-

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

<b>6. OTHER FINANCIAL ASSETS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non - current</b>			
Security deposits	<b>11,537,025</b>	11,635,000	11,756,445
	<b>11,537,025</b>	11,635,000	11,756,445
<b>Current</b>			
Interest accrued but not due	<b>12,166,013</b>	11,978,890	12,129,164
Interest accrued and due	-	2,019,452	1,997,260
	<b>12,166,013</b>	13,998,342	14,126,424
<b>7. INCOME TAX ASSETS (net)</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Income tax assets	<b>413,918,083</b>	355,498,524	282,548,572
Less: Provision for taxes	<b>328,416,649</b>	287,719,668	268,373,264
	<b>85,501,434</b>	67,778,856	14,175,308
<b>8. OTHER ASSETS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Capital advance	<b>274,879</b>	233,834	296,719
Stamp duty recoverable from Odisha Govt.	-	-	14,000,000
	<b>274,879</b>	233,834	14,296,719
<b>Current</b>			
Advance to suppliers	<b>8,172,669</b>	8,073,111	7,558,372
Prepaid expenses	<b>10,484,655</b>	12,544,692	12,432,607
Balance with statutory authorities	<b>7,091,376</b>	12,445,476	11,156,120
	<b>25,748,700</b>	33,063,279	31,147,099
<b>9. INVENTORIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
(valued at cost or net realisable value whichever is lower)			
Food, Liquor & Tobacco	<b>23,882,128</b>	15,008,371	12,116,849
General Stores and Spares	<b>2,484,152</b>	3,463,085	3,420,788
	<b>26,366,280</b>	18,471,456	15,537,637

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**10. TRADE RECEIVABLES**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Exceeding 6 months from payment due date			
- Unsecured, considered good	-	464,728	5,437,208
- Doubtful	<b>1,089,475</b>	2,934,729	2,936,459
	<b>1,089,475</b>	3,399,457	8,373,667
- Less: allowance for bad & doubtful debts	<b>1,089,475</b>	2,934,729	2,936,459
	-	464,728	5,437,208
Other trade receivables			
- Unsecured, considered good	<b>57,612,270</b>	53,001,008	27,933,375
- Doubtful	<b>528,756</b>	-	-
	<b>58,141,026</b>	53,001,008	27,933,375
- Less: allowance for bad & doubtful debts	<b>528,756</b>	-	-
	<b>57,612,270</b>	53,001,008	27,933,375
	<b>57,612,270</b>	53,465,736	33,370,583

**11. CASH & CASH EQUIVALENTS**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Balance with banks			
In current accounts	<b>23,804,844</b>	23,938,465	12,200,030
In fixed deposit accounts *	<b>20,000,000</b>	20,000,000	20,000,000
In unpaid dividend accounts	<b>4,414,916</b>	3,983,706	3,525,777
Cash on hand (including Stamps in hand ₹189,673)	<b>1,023,006</b>	1,463,175	1,353,974
Cheques on hand	<b>342,646</b>	105,953	415,836
	<b>49,585,412</b>	49,491,299	37,495,617

\* The Company maintains an overdraft account and has given revolving letter of credit to West Bengal State Electricity Distribution Company Limited secured against fixed deposits.

**12. LOANS**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Loans/advance to subsidiary companies			
GJS Hotels Limited	<b>3,230,204,800</b>	3,731,418,600	3,716,175,000
Regency Convention Centre and Hotels Limited	<b>13,970,474</b>	12,569,474	12,119,474
Robust Hotels Pvt. Ltd.	-	-	77,028
Loans/advance to companies in which directors or their relatives exercise significant influence			
Chartered Hotels Private Limited	-	-	349,310
Juniper Hotels Private Limited	-	-	297,378
Chartered Hampi Hotels Pvt. Ltd.	-	-	126,168
Taragaon Regency Hotels Ltd.	-	-	131,155
Unison Hotels Pvt. Limited	-	-	222,798
Yak & Yeti Hotels Ltd.	-	-	161,584
Other loans and advances			
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd. (refer note 44)	<b>33,448,275</b>	33,448,275	33,448,275
Inter corporate deposit	-	75,000,000	75,000,000
Employee advance	<b>352,000</b>	384,200	456,963
	<b>3,277,975,549</b>	3,852,820,549	3,838,565,133

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**13. SHARE CAPITAL**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Authorised Shares			
14,000,000 Equity shares of ₹10/- each	<b>140,000,000</b>	140,000,000	140,000,000
1,000,000 Preference shares of ₹10/- each	<b>10,000,000</b>	10,000,000	10,000,000
Issued, subscribed & paid up			
11,527,797 (previous year: 11,440,585) Equity Shares of ₹10/- each	<b>115,277,970</b>	114,405,850	114,405,850
Total	<b>115,277,970</b>	114,405,850	114,405,850
<b>Reconciliation of the shares outstanding at the beginning and at the end of the reporting year</b>			
At the beginning of the year	<b>11,440,585</b>	11,440,585	11,440,585
Issued during the year	<b>3,214,284</b>	-	-
Cancelled during the year	<b>(3,127,072)</b>	-	-
At the end of the year	<b>11,527,797</b>	11,440,585	11,440,585

**Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Equity shares	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	% of Holding	% of Holding	% of Holding	No. of Shares	No. of Shares	No. of Shares
Saraf Industries Limited	<b>31.49%</b>	31.73%	31.73%	<b>3,630,630</b>	3,630,630	3,630,630
Forex Finance Private Limited	-	27.33%	27.33%	-	3,127,072	3,127,072
Radhe Shyam Saraf	<b>28.49%</b>	5.00%	5.00%	<b>3,284,680</b>	571,930	571,930
Axis Bank Limited	<b>5.42%</b>	1.16%	1.16%	<b>624,487</b>	133,276	133,276
Ratna Saraf	<b>5.36%</b>	-	-	<b>617,347</b>	-	-

**14. OTHER EQUITY**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Capital reserve	<b>417,998,203</b>	141,043	141,043
Capital redemption reserve	<b>2,000,000</b>	2,000,000	2,000,000
Securities premium reserve	-	14,612,822	14,612,822
General reserve	<b>5,615,532,555</b>	6,462,174,116	6,447,174,116
Retained earnings	<b>2,711,431,189</b>	2,363,461,550	2,263,686,819
FVTOCI reserve	<b>23,094,892</b>	304,234	-
	<b>8,770,056,839</b>	8,842,693,765	8,727,614,800



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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

<b>15. BORROWINGS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Secured			
Loan from ICICI Bank Limited *	-	1,319,438,354	1,650,000,000
Less: Repayable within one year	-	1,319,438,354	-
	-	-	1,650,000,000
*Loan against security of mutual funds (refer note - 5)			
Interest Rate :- At base rate of Bank		9.35%	10.00%
Tenure : - Within 16 months from date of sanction, i.e. 31st March 2015			

<b>15. BORROWINGS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Secured			
Overdraft facility with ICICI Bank Limited	-	72,835,905	-
	-	72,835,905	-
*Secured against mutual fund (refer note - 5)			
Interest Rate :- At base rate of Bank		9.60%	
Tenure : - One year from the date of sanction			

<b>16. TRADE PAYABLES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Trade payables (refer note no 41 for details of dues of micro & small enterprises)			
	-	-	2,482,565
	-	-	2,482,565
<b>Current</b>			
Trade payables (refer note no 41 for details of dues of micro & small enterprises)			
	<b>85,352,522</b>	88,990,063	99,191,585
	<b>85,352,522</b>	88,990,063	99,191,585

<b>17. OTHER FINANCIAL LIABILITIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Security deposit			
	<b>1,574,000</b>	2,227,500	1,985,500
	<b>1,574,000</b>	2,227,500	1,985,500
<b>Current</b>			
Current maturities of long term debt			
	-	1,319,438,354	-
Salary payable	<b>8,324,967</b>	3,240,809	7,240,396
Unpaid dividends	<b>4,414,916</b>	3,983,706	3,525,777
Expenses payable	<b>6,649,141</b>	9,308,653	9,866,483
Security deposit	<b>60,000</b>	60,000	60,000
	<b>19,449,024</b>	1,336,031,522	20,692,656

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

<b>18. PROVISIONS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Provision for gratuity (refer note 39)	<b>15,302,754</b>	10,595,590	11,853,822
Provision for leave benefits (refer note 39)	<b>4,574,858</b>	3,152,855	3,266,506
	<b>19,877,612</b>	13,748,445	15,120,328
<b>Current</b>			
Provision for gratuity (refer note 39)	<b>2,267,519</b>	4,677,993	1,578,302
Provision for leave benefits (refer note 39)	<b>823,775</b>	783,109	526,041
	<b>3,091,294</b>	5,461,102	2,104,343
<b>19. DEFERRED TAX LIABILITIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Deferred tax liabilities			
On fiscal allowances of fixed assets	<b>174,283,094</b>	183,976,048	189,732,820
	<b>174,283,094</b>	183,976,048	189,732,820
Deferred tax assets			
On Employees' separation and retirement etc.	<b>10,668,204</b>	7,707,579	8,333,117
On Provision for doubtful debts / advances	<b>560,037</b>	1,015,651	1,016,250
MAT credit entitlement	<b>60,887,901</b>	10,987,372	6,886,345
Other timing differences	-	-	75,032
	<b>72,116,142</b>	19,710,602	16,310,744
	<b>102,166,952</b>	164,265,446	173,422,076
<b>20. OTHER CURRENT LIABILITIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Advance from customers	<b>23,771,320</b>	22,757,370	19,305,537
Statutory dues	<b>6,349,780</b>	5,251,696	4,794,228
	<b>30,121,100</b>	28,009,066	24,099,765

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**21. REVENUE FROM OPERATIONS**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
<b>Sale of products</b>		
Beverages, wines and liquor	64,644,238	59,862,979
Food and smokes	409,102,023	440,320,363
	<b>473,746,261</b>	500,183,342
<b>Sale of services</b>		
Rooms	414,373,682	395,980,571
Banquet income (only rental portion)	23,735,321	25,337,282
Health & spa	29,414,655	26,757,361
Laundry & dry cleaning	12,923,237	12,571,248
Auto rental	9,543,627	113,14,864
Communication	1,235,165	1,127,292
Service charge	11,593,651	-
Other operating revenue	6,613,772	7,654,312
	<b>509,433,110</b>	480,742,930
	<b>983,179,371</b>	980,926,272

**22. OTHER INCOME**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest income from non-current investments	12,345,000	12,345,000
Interest income - others	8,517,097	10,597,007
Dividend on current investment	11,542,125	180,405
Net gain on foreign currency translation	-	713,122
Fair value gain on current investments *	54,059,102	126,507,632
Profit on sale of fixed assets	-	41,510
Excess provision written back	1,214,360	52
Miscellaneous income	250,000	305,140
	<b>87,927,684</b>	150,689,868

\* It includes unrealised fair value gain of ₹29,916,633 (previous year: ₹107,536,944)

**23. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Opening Stock	15,008,371	12,116,849
Add : Purchases	140,896,442	131,271,873
	<b>155,904,813</b>	143,388,722
Less : Closing Stock	23,882,128	15,008,371
	<b>132,022,685</b>	128,380,351

**24. EMPLOYEE BENEFIT EXPENSES**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Salaries, wages & bonus	166,613,744	156,258,248
Contribution to provident & other funds	10,771,529	11,126,369
Staff welfare expenses	17,553,843	17,290,497
Recruitment & training	5,353,302	3,394,068
	<b>200,292,418</b>	188,069,182

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**25. FINANCE COST**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest on loan against securities	1,685,348	154,050,946
Interest on bank overdraft	64,257	1,020,010
Interest on inter-corporate deposit	3,255,616	-
Other borrowing costs	-	1,094,400
Interest on late payment of TDS	102	131,099
	<b>5,005,323</b>	<b>156,296,455</b>

**26. OTHER EXPENSES**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Contract labour and service	47,481,007	46,943,554
Room, catering & other supplies	46,746,575	51,347,055
Linen & operating equipments consumption	5,785,139	6,744,181
Fuel, power & light	96,133,170	96,388,394
Repairs, maintenance & refurbishing	79,801,059	43,944,453
Satellite & television charges	459,976	654,959
Rent	20,572,025	18,308,262
Rates & taxes	8,065,298	9,650,437
Insurance	2,415,189	3,210,367
Directors' sitting fees	1,470,000	1,090,000
Legal & professional expenses	9,613,386	8,117,214
Payment to auditors	1,358,301	880,000
Printing & stationery	2,286,385	2,261,207
Guest transportation	23,773,829	19,017,291
Travelling & conveyance	10,022,952	12,445,044
Communication expenses	3,975,859	4,562,542
Technical services	33,084,636	32,555,230
Advertisement & publicity	34,840,710	31,191,192
Commission & brokerage	29,540,681	34,773,706
CSR expenditure	3,200,000	5,000,000
Charity & donation	286,000	2,435,626
Bank charges and commission	616,689	601,831
Provision for bad & doubtful debts	1,199,223	1,379,969
Net loss on foreign currency translation	674,668	-
Loss on sale of fixed assets	328,620	1,308,318
Miscellaneous expenses	3,758,611	3,149,045
	<b>467,489,988</b>	<b>437,959,877</b>

**27. TAX EXPENSE**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Current Tax	52,331,941	17,171,862
Deferred Tax	-12,197,965	-5,055,603
MAT Credit (including earlier years)	-	-4,097,341
Excess provision of earlier years	-826,826	2,204,927
Income tax expense	<b>39,307,150</b>	<b>10,223,845</b>
Profit before income tax	168,893,741	152,376,802
Enacted Tax rates in India	34.608%	34.608%
Computed expected tax expenses	58,450,746	52,734,564
Effect of non deductible expenses	8,279,575	3,120,515
Effect of exempt non operating income	-16,219,263	-27,070,199
Effect of other items not subject of tax	-10,353,548	-21,007,754
Others	-850,359	2,446,720
Total	<b>39,307,150</b>	<b>10,223,845</b>

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**28. EARNINGS PER SHARE (BASIC & DILUTED)**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
(i) Profit available for Equity Shareholders	129,578,048	142,313,969
(ii) Weighted average number of Equity Shares @ ₹10 each	11,489,806	11,440,585
(iii) Earnings/(Loss) per share (₹)	11.28	12.44

**29. FINANCIAL INSTRUMENTS**

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as on March 31, 2017 are as follows:

Particulars	Amount in ₹				
	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Investments					
In equity shares	-	-	104,051,579	104,051,579	104,051,579
In preference shares	-	615,374,060	-	615,374,060	615,374,060
In tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In mutual funds	-	664,449,739	-	664,449,739	664,449,739
Loans	3,277,975,549	-	-	3,277,975,549	3,277,975,549
Cash & cash equivalents	49,585,412	-	-	49,585,412	49,585,412
Trade receivables	57,612,270	-	-	57,612,270	57,612,270
Other financial assets	23,703,038	-	-	23,703,038	23,703,038
<b>Total</b>	<b>3,558,876,269</b>	<b>1,279,823,799</b>	<b>104,051,579</b>	<b>4,942,751,647</b>	<b>4,942,751,647</b>
<b>Liabilities:</b>					
Borrowings	-	-	-	-	-
Trade payables	8,53,52,522	-	-	8,53,52,522	8,53,52,522
Other financial liabilities	2,10,23,024	-	-	2,10,23,024	2,10,23,024
<b>Total</b>	<b>10,63,75,546</b>	-	-	<b>10,63,75,546</b>	<b>10,63,75,546</b>

The carrying value and fair value of financial instruments by categories as on March 31, 2016 are as follows:

Particulars	Amount in ₹				
	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Investments					
In preference shares	-	615,374,060	-	615,374,060	615,374,060
In tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In mutual funds	-	1,945,611,534	-	1,945,611,534	1,945,611,534
Loans	3,852,820,549	-	-	3,852,820,549	3,852,820,549
Cash & cash equivalents	49,491,299	-	-	49,491,299	49,491,299
Trade receivables	53,465,736	-	-	53,465,736	53,465,736
Other financial assets	25,633,342	-	-	25,633,342	25,633,342
<b>Total</b>	<b>4,131,410,926</b>	<b>2,560,985,594</b>	-	<b>6,692,396,520</b>	<b>6,692,396,520</b>
<b>Liabilities:</b>					
Borrowings	72,835,905	-	-	72,835,905	72,835,905
Trade payables	88,990,063	-	-	88,990,063	88,990,063
Other financial liabilities	1,338,259,022	-	-	1,338,259,022	1,338,259,022
<b>Total</b>	<b>1,500,084,990</b>	-	-	<b>1,500,084,990</b>	<b>1,500,084,990</b>

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**29. FINANCIAL INSTRUMENTS (Contd.)**

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as on April 1, 2015 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in ₹
					Total Fair Value
<b>Assets:</b>					
Investments					
In equity shares	-	23,749,116	-	23,749,116	23,749,116
In preference shares	-	615,374,060	-	615,374,060	615,374,060
In tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In mutual funds	-	2,122,539,578	-	2,122,539,578	2,122,539,578
Loans	3,838,565,133	-	-	3,838,565,133	3,838,565,133
Cash & cash equivalents	37,495,617	-	-	37,495,617	37,495,617
Trade receivables	33,370,583	-	-	33,370,583	33,370,583
Other financial assets	25,882,869	-	-	25,882,869	25,882,869
<b>Total</b>	<b>4,085,314,202</b>	<b>2,761,662,754</b>	<b>-</b>	<b>6,846,976,956</b>	<b>6,846,976,956</b>
<b>Liabilities:</b>					
Borrowings	1,650,000,000	-	-	1,650,000,000	1,650,000,000
Trade payables	101,674,150	-	-	101,674,150	101,674,150
Other financial liabilities	22,678,156	-	-	22,678,156	22,678,156
<b>Total</b>	<b>1,774,352,306</b>	<b>-</b>	<b>-</b>	<b>1,774,352,306</b>	<b>1,774,352,306</b>

**Fair value hierarchy**

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2017:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
In equity shares	104,051,579	104,051,579	-	-
In preference shares	615,374,060	-	-	615,374,060
In tax free bonds	150,000,000	-	150,000,000	-
In mutual funds	664,449,739	664,449,739	-	-
Loans	3,277,975,549	-	-	3,277,975,549
Trade receivables	57,612,270	-	-	57,612,270
Other financial assets	23,703,038	-	-	23,703,038
<b>Total</b>	<b>4,893,166,235</b>	<b>768,501,318</b>	<b>150,000,000</b>	<b>3,974,664,917</b>
<b>Liabilities:</b>				
Borrowings	-	-	-	-
Trade payables	85,352,522	-	-	85,352,522
Other financial liabilities	21,023,024	-	-	21,023,024
<b>Total</b>	<b>106,375,546</b>	<b>-</b>	<b>-</b>	<b>106,375,546</b>

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**29. FINANCIAL INSTRUMENTS (Contd.)**

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2016:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
In preference shares	615,374,060	-	-	615,374,060
In tax free bonds	150,000,000	-	150,000,000	-
In mutual funds	1,945,611,534	1,945,611,534	-	-
Loans	3,852,820,549	-	-	3,852,820,549
Trade receivables	53,465,736	-	-	53,465,736
Other financial assets	25,633,342	-	-	25,633,342
<b>Total</b>	<b>6,642,905,221</b>	<b>1,945,611,534</b>	<b>150,000,000</b>	<b>4,547,293,687</b>
<b>Liabilities:</b>				
Borrowings	72,835,905	-	-	72,835,905
Trade payables	88,990,063	-	-	88,990,063
Other financial liabilities	1,338,259,022	-	-	1,338,259,022
<b>Total</b>	<b>1,500,084,990</b>	-	-	<b>1,500,084,990</b>

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of April 1, 2015:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
In equity shares	23,749,116	23,749,116	-	-
In preference shares	615,374,060	-	-	615,374,060
In tax free bonds	150,000,000	-	150,000,000	-
In mutual funds	2,122,539,578	2,122,539,578	-	-
Loans	3,838,565,133	-	-	3,838,565,133
Trade receivables	33,370,583	-	-	33,370,583
Other financial assets	25,882,869	-	-	25,882,869
<b>Total</b>	<b>6,809,481,339</b>	<b>2,146,288,694</b>	<b>150,000,000</b>	<b>4,513,192,645</b>
<b>Liabilities:</b>				
Borrowings	1,650,000,000	-	-	1,650,000,000
Trade payables	101,674,150	-	-	101,674,150
Other financial liabilities	22,678,156	-	-	22,678,156
<b>Total</b>	<b>1,774,352,306</b>	-	-	<b>1,774,352,306</b>

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are in close approximation of fair value.

The Company's investment in the equity shares of its subsidiaries is recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS.

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**30. FINANCIAL RISK MANAGEMENT**

**Financial risk factors**

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

**Market risk**

The primary market risk to the Company is foreign exchange risk. The Company is exposed to foreign exchange risk through its purchases from overseas suppliers and payment for services availed in various foreign currencies. The Company pays off its foreign exchange exposure within a short period of time, thereby mitigates the risk of material changes in exchange rate on foreign currency exposure.

The following table analyses foreign currency risk from financial instruments as of 31st March 2017 and 31st March 2016.

Particulars	Amount in ₹	
	31st March 2017	31st March 2016
	<b>U.S. dollars</b>	U.S. dollars
Trade payables	<b>12,340,702</b>	23,243,075

For the year ended 31st March 2017 and 31st March 2016, the effect of every percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S. dollar, is as under

	Change in USD rate	Effect on profit before tax	
		31st March 2017	31st March 2016
Appreciation in exchange rate	1%	<b>-123,407</b>	-232,431
Depreciation on exchange rate	-1%	<b>123,407</b>	232,431

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. The Company has no outstanding bank borrowings as on 31st March 2017. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2017:

Particulars	Amount in ₹				Total
	Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings	-	-	-	-	-
Trade payables	85,352,522	-	-	-	85,352,522
Other financial liabilities	19,449,024	1,574,000	-	-	21,023,024

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2016:

Particulars	Amount in ₹				Total
	Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings	72,835,905	-	-	-	72,835,905
Trade payables	88,990,063	-	-	-	88,990,063
Other financial liabilities	1,336,031,522	2,227,500	-	-	1,338,259,022

The table below provides details regarding the contractual maturities of financial liabilities as of April 1, 2015:

Particulars	Amount in ₹				Total
	Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings	-	1,650,000,000	-	-	1,650,000,000
Trade payables	99,191,585	2,482,565	-	-	101,674,150
Other financial liabilities	20,692,656	1,985,500	-	-	22,678,156



**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

**Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets. The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

Particulars	Amount in ₹		
	31st March 2017	31st March 2016	1st April 2015
Investments	4,438,317,102	5,315,252,318	5,515,929,478
Trade receivables	57,612,270	53,465,736	33,370,583
Cash & cash equivalents	49,585,412	49,491,299	37,495,617
Loans	3,277,975,549	3,852,820,549	3,838,565,133
Other financial assets	23,703,038	25,633,342	25,882,869

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with nationalised banks. Investments primarily include investments in liquid mutual fund units, quoted bonds and investment in subsidiaries. Loans are provided to subsidiary and are in the nature of short term as the same is repayable on demand.

**31. CAPITAL MANAGEMENT**

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximise the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order 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 includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows :

Particulars	Amount in ₹		
	31st March 2017	31st March 2016	1st April 2015
Net debt	-45,170,496	1,346,766,666	1,616,030,160
Total net debt and equity	8,840,164,313	10,303,866,281	10,458,050,810
Gearing Ratio	-0.51%	13.07%	15.45%

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 loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any 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 2017 and 31 March 2016.

**32. As per MCA notification G.S.R. 308(E) dated March 30, 2017, the details of Specified Bank Notes (SBNs) and other bank notes held and transacted during the period 08/11/2016 to 30/12/2016 is as under;**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1,009,500	422,278	1,431,778
(+) Permitted receipts *	-	11,005,318	11,005,318
(-) Permitted payments	-	635,205	635,205
(-) Amount deposited in Banks	1,009,500	9,520,255	10,529,755
Closing cash in hand as on 30.12.2016	-	1,272,136	1,272,136

\* Permitted receipts includes cash withdrawn from bank.

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

<b>33. C.I.F. Value of Imports :</b>		Amount in ₹
<b>Particulars</b>	<b>31st March 2017</b>	31st March 2016
Stores & Spares	<b>2,005,451</b>	4,338,191
Capital Goods	<b>1,798,562</b>	3,107,392
Beverages through canalizing agencies	<b>16,487,015</b>	16,928,304
<b>Total</b>	<b>20,291,028</b>	24,373,887

<b>34. Expenditure in Foreign Currency (on payment basis)</b>		Amount in ₹
<b>Particulars</b>	<b>31st March 2017</b>	31st March 2016
Commission & Brokerage	<b>20,538,202</b>	41,148,932
Technical Services	<b>28,559,523</b>	30,805,782
Advertisement & Publicity	<b>13,524,256</b>	13,407,689
Repairs & Maintenance	<b>7,393,477</b>	8,427,759
Recruitment & Training	<b>2,583,767</b>	1,751,495
Others	<b>7,181,671</b>	3,196,812
<b>Total</b>	<b>79,780,896</b>	98,738,469

<b>35. Earnings in Foreign Currency (on receipt basis)</b>		Amount in ₹
<b>Particulars</b>	<b>31st March 2017</b>	31st March 2016
Earnings	<b>218,150,362</b>	247,710,031

**36.** The Company has paid dividend in respect of shares held by Non-Residents. The total amount remitted in this respect is given herein below:-

<b>Particulars</b>	<b>31st March 2017</b>	31st March 2016
Number of non resident shareholders	<b>526</b>	554
Number of equity shares held by non resident shareholders	<b>4,576,962</b>	4,583,077
Amount of dividend paid	<b>9,153,924</b>	9,166,154
Year to which dividend relates	<b>2015-16</b>	2014-15

**37.** As the Company is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.

The Joint Managing Director of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

No Customer individually accounted for more than 10% of the revenue in the year ended March 31, 2017 and March 31, 2016.

**38.** In the opinion of the Board, all the assets of the Company have a value on realization in ordinary course of business at least equal to the amount at which they are stated. Therefore, the Company has not recognised any loss on impairment in respect of any of the assets of the Company. In respect of subsidiaries, such decision is based on the audited accounts of the subsidiaries.

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

Amount in ₹

**39. Gratuity and other post-employment benefit plans**

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

a) Defined contribution plans

i. Provident fund

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:-

	<b>31st March 2017</b>	31st March 2016
Employer's Contribution to Provident Fund	<b>5,760,525</b>	6,220,627
Employer's Contribution to Pension Scheme	<b>3,243,013</b>	3,279,071

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

In accordance with Indian Accounting Standard 19, Employee Benefits, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

**Economic Assumptions**

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

**Discount Rate**

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 7.35 % p.a. compound, has been used.

**Salary Escalation Rate**

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

**i. Change in Benefit Obligations:**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	<b>31st March 2017</b>	31st March 2016	<b>31st March 2017</b>	31st March 2016
Present value of obligations as at the beginning of the year	<b>15,273,583</b>	13,432,124	<b>3,935,964</b>	3,792,547
Current service cost	<b>2,604,322</b>	2,432,700	<b>2,397,708</b>	1,195,230
Interest cost	<b>1,221,887</b>	1,047,706	<b>314,877</b>	295,819
Benefit Paid	<b>(1,554,205)</b>	(1,173,701)	<b>(1,437,787)</b>	(860,378)
Actuarial (gain)/ loss on obligation	<b>24,686</b>	(465,246)	<b>187,871</b>	(487,254)
<b>Present value of obligations as at the year end</b>	<b>17,570,273</b>	15,273,583	<b>5,398,633</b>	3,935,964
Current liability	<b>2,267,519</b>	4,677,993	<b>823,775</b>	783,109
Non-Current liability	<b>15,302,754</b>	10,595,590	<b>4,574,858</b>	3,152,855
<b>Total</b>	<b>17,570,273</b>	15,273,583	<b>5,398,633</b>	3,935,964

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

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	<b>31st March 2017</b>	31st March 2016	<b>31st March 2017</b>	31st March 2016
Current Service Cost	<b>2,604,322</b>	2,432,700	<b>2,397,708</b>	1,195,230
Interest Cost	<b>1,221,887</b>	1,047,706	<b>314,877</b>	295,819
Actuarial (Gain) / loss recognized during the year	-	-	<b>187,871</b>	(487,254)
Expenses recognised in Statement of Profit and Loss	<b>3,826,209</b>	3,480,406	<b>2,900,456</b>	1,003,795

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

Amount in ₹

**iii. Amount recognized in Other Comprehensive Income (OCI):**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016
Actuarial Gain / (loss) recognized during the year	(24,686)	465,246	-	-

**iv. Principal Actuarial assumptions:**

Particulars	Refer Note below	Year ended 31st March 2017	Year ended 31st March 2016
Discount rate (p.a.)	1	7.35%	8.00%
Salary Escalation Rate (p.a.)	2	6.00%	6.75%

**Notes:**

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

**Demographic assumptions:**

- Retirement age : 58 years
- Mortality rate : Published rates under Indian Assured Lives Mortality (IALM) Ultimate table

**40. Leases:**

The Company has entered into Operating lease agreements for letting out space. The lease agreements are made for specific period as per agreement. Lease payments received recognized in the Statement of Profit & Loss for the year ended amounted to ₹5,074,263/-.

The future receipts for operating lease are as follows:

	31st March 2017	31st March 2016
Not Later than 1 year	864,000	2,240,450
Later than one year and not later than five years	3,456,000	3,580,800
Later than five years	717,000	1,694,880

The Company has entered into leave & license agreement for premises. The lease agreements are made for specific period as per agreement. Lease payments paid are recognized in the Statement of Profit & Loss for the year ended amounted to ₹20,250,000/-.

The future Payments for operating lease are as follows:

	31st March 2017	31st March 2016
Not Later than 1 year	20,700,000	3,000,000
Later than one year and not later than five years	3,450,000	-
Later than five years	-	-

**41. The disclosures relating to Micro, Small & Medium Enterprises Development Act, 2006 are as under :-**

- The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the Auditors.

- The disclosures relating to Micro and Small Enterprises are as under :-

	31st March 2017	31st March 2016	1st April 2015
The principal amount remaining unpaid to supplier as at the end of the accounting year.	276,700	67,728	335,420
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year.	NIL	NIL	NIL
The amount of interest paid in terms of Section 16 alongwith the amount of payment made to the Supplier beyond the appointed day during the year.	NIL	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	NIL	NIL	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	NIL	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	NIL	NIL	NIL

## Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017

Amount in ₹

#### 42. Contingent Liabilities :

<b>Contingent Liabilities</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>	<b>1<sup>st</sup> April 2015</b>
Corporate Guarantee to IDBI Bank for Robust Hotels Pvt. Ltd.	<b>109,500,000</b>	350,000,000	350,000,000
Corporate Guarantee to HDFC Limited for Robust Hotels Pvt. Ltd.	<b>1,500,000,000</b>	-	-
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	<b>8,000,000</b>	8,000,000	8,000,000
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	<b>4,374,245</b>	4,374,245	4,374,245
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2003-04 to F.Y. 2006-07	<b>5,909,585</b>	5,909,585	5,909,585
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	<b>26,753,749</b>	26,753,749	26,753,749
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2008-09 to F.Y. 2012-13	<b>6,836,585</b>	6,836,585	13,028,999
Service Tax under the Finance Act, 1994 pertaining to period Oct-2007 to Jan-2013	<b>348,656</b>	348,656	-
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2013-14	<b>7,644,193</b>	-	-
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2012-13	<b>5,683,418</b>	-	-
Value Added Tax under West Bengal VAT Act, 2003 pertaining to F.Y. 2012-13	<b>396,345</b>	-	-
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2004-05	<b>2,180,235</b>	2,180,235	2,180,235
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 1996-97 to F.Y. 2016-17	<b>68,080</b>	-	-
Income Tax under the Income Tax Act, 1961 for the F.Y. 2011-12 (the Company has preferred an appeal against the demand)*	<b>16,906,870</b>	16,906,870	16,906,870
Income Tax under the Income Tax Act, 1961 for the F.Y. 2012-13 (the Company has preferred an appeal against the demand)#	<b>12,273,270</b>	12,273,270	-
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (the Company has preferred an appeal against the demand)@	<b>12,304,560</b>	-	-
Others	<b>3,644,056</b>	3,644,056	3,644,056

\*The Company has paid demand of ₹14,750,000/- under protest and is included in Income tax assets

# The Company has paid demand of ₹1,841,000/- under protest on 3<sup>rd</sup> May 2016.

@ The Company has paid demand of ₹1,850,000/- under protest on 18<sup>th</sup> January 2017.

#### 43. Payment to Auditors

	<b>31st March 2017</b>	<b>31st March 2016</b>
Statutory Audit Fees	<b>600,000</b>	600,000
Tax Audit Fees	<b>150,000</b>	150,000
Fees for other services	<b>465,000</b>	75,000
Reimbursement of Expenses	<b>143,301</b>	55,000

44. As on date, the Company holds 91,652 Equity shares of ₹10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 58.99% of the paid up capital of RCC. Apart from the above, the Company had also made an advance of ₹33,448,275 for acquiring further shares of RCC from their existing shareholders and paid advances to RCC amounting to ₹13,970,474 up to the Balance Sheet date which has been disclosed as current loans and advances.

Principal assets of Regency Convention Centre and Hotels Limited (RCC) comprise of an interest in a piece of land near CSI Airport at Mumbai. Such interest being the subject matter of dispute is pending at the High Court of Judicature at Bombay as RCC has filed Suit No. 6846 of 1999 in the High Court of Judicature at Bombay against the Airports Authority of India (AAI) & Ors. for specific performance of the agreement to lease 31,000 sq.mtrs. of land at village-Sahar, Andheri (East), Mumbai in its favour for construction of a five star hotel cum convention centre. The recording of evidence of RCC's witness and the Defendants Nos. 2 to 16 have already been concluded and closed. The suit is pending for recoding of evidence of Defendant No. 1 i.e., AAI and for final arguments. Parties have asked the Court for expediting the matter.

Regarding Agreement dated 24th July, 2015 which was entered into with Mumbai International Airport Private Limited (MIAPL) by RCC for allotment of an alternate pocket of land admeasuring 9776 sq.mtrs. at CSI Airport, Mumbai to amicably settle the disputes in terms of the decision of the AAI Board, AAI did not approve the Agreement to ultimately settle the disputes when the discussion of settlement had taken place before the Court leaving RCC with no options but continue to involve in the litigation. However, RCC has resumed dialogues with the parties concerned to amicably settle the disputes as per the AAI Board's earlier decisions and presently exploring all available options. RCC is hopeful of a positive outcome of its efforts.

As per the terms of agreement with the RCC and its shareholders, the Company has to make additional payment for acquiring the balance shares of RCC, the amount of which is unascertainable and dependent on the outcome of the dispute pending in the Bombay High Court.

# Asian Hotels (East) Limited

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## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017

Amount in ₹

45. In accordance with the Indian Accounting Standard on "Related Party Disclosures" (Ind AS-24), the disclosures in respect of Related Parties and transactions with them are as follows: -

### Related Party Disclosures

#### (i) List of Related Parties

- (a) Subsidiaries :
- GJS Hotels Limited, wholly owned Subsidiary Company
  - Regency Convention Centre & Hotels Limited
  - Robust Hotels Private Limited (subsidiary of GJS Hotels Limited)
- (b) Key Management Personnel :
- Mr. Radhe Shyam Saraf, Chairman
  - Mr. Arun Kumar Saraf, Joint Managing Director
  - Mr. Umesh Saraf, Joint Managing Director
- (c) Entities over which directors or their relatives can exercise significant influence/control :
- (i) Unison Hotels Private Limited
  - (ii) Unison Hotels South Private Limited
  - (iii) Juniper Investments Limited
  - (iv) Vedic Hotels Limited
  - (v) Nepal Travel Agency Pvt. Ltd., Nepal
  - (vi) Yak & Yeti Hotels Limited, Nepal
  - (vii) Chartered Hotels Private Limited
  - (viii) Chartered Hampi Hotels Private Limited
  - (ix) Blue Energy Private Limited
  - (x) Unison Power Limited
  - (xi) Footsteps of Buddha Hotels Private Limited
  - (xii) Juniper Hotels Private Limited
  - (xiii) Samra Importex Private Limited
  - (xiv) Sara International limited, Hong Kong
  - (xv) Sara Hospitality Limited, Hong Kong
  - (xvi) Saraf Hotels Limited, Mauritius
  - (xvii) Saraf Investments Limited, Mauritius
  - (xviii) Saraf Industries Limited, Mauritius
  - (xix) Taragaon Regency Hotels Limited, Nepal
  - (xx) Forex Finance Private Limited  
(Merged into Company w.e.f 05/09/2016)

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

Transactions during the year	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Dividend Paid</b>								
Forex Finance Private Limited	-	-	-	-	6,254,144	6,254,144	6,254,144	6,254,144
Saraf Industries Limited	-	-	-	-	7,261,260	7,261,260	7,261,260	7,261,260
Radhe Shyam Saraf	-	-	1,143,860	1,143,860	-	-	1,143,860	1,143,860
<b>Travelling Expenses</b>								
Juniper Hotels Private Limited	-	-	-	-	172,081	53,282	172,081	53,828
Unison Hotels Private Limited	-	-	-	-	202,031	107,676	202,031	107,676
<b>Expenses Incurred (Reimbursement)</b>								
Robust Hotels Private Limited	-	264,039	-	-	-	-	-	264,039
Chartered Hampi Hotels Private Limited	-	-	-	-	-	314,902	-	314,902
Juniper Hotels Private Limited	-	-	-	-	-	434,858	-	434,858
Taragaon Regency Hotels Limited	-	-	-	-	-	242,871	-	242,871
Unison Hotels Private Limited	-	-	-	-	204,331	-	204,331	-
<b>Advance Given</b>								
GJS Hotels Limited	636,200	15,248,400	-	-	-	-	636,200	15,248,400
Regency Convention Centre and Hotels Limited	1,401,000	456,500	-	-	-	-	1,401,000	456,500
Robust Hotels Pvt. Ltd.	75,000,000	-	-	-	-	-	75,000,000	-
<b>Refund of Advance Given</b>								
GJS Hotels Limited	501,850,000	4,800	-	-	-	-	501,850,000	4,800
Robust Hotels Pvt. Ltd.	75,000,000	-	-	-	-	-	75,000,000	-
<b>Refund of Advance Taken</b>								
Robust Hotels Pvt. Ltd.	532,000,000	-	-	-	-	-	532,000,000	-
<b>Managerial Remuneration*</b>								
Umesh Saraf	-	-	12,968,000	13,350,507	-	-	12,968,000	13,350,507
Arun Kr. Saraf	-	-	13,115,000	13,462,107	-	-	13,115,000	13,462,107

*Asian Hotels (East) Limited*

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**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017**

Amount in ₹

Closing Balance as on 31st March 2017	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Account Receivables</b>								
GJS Hotels Limited	3,230,204,800	3,731,418,600	-	-	-	-	3,230,204,800	3,731,418,600
Regency Convention Centre and Hotels Limited	13,970,474	12,569,474	-	-	-	-	13,970,474	12,569,474
<b>Investments as at year end</b>								
Equity Shares of GJS Hotels Limited	2,346,365,000	2,346,365,000	-	-	-	-	2,346,365,000	2,346,365,000
Equity Shares of Regency Convention Centre and Hotels Limited	257,901,724	257,901,724	-	-	-	-	257,901,724	257,901,724
Equity Shares of Robust Hotels Private Limited	300,175,000	-	-	-	-	-	300,175,000	-
Preference Shares of Robust Hotels Private Limited	615,374,060	615,374,060	-	-	-	-	615,374,060	615,374,060

\* The post employment benefits of KMPs excludes gratuity which cannot be separately identified from the composite amount advised by the actuary.

- 46.** Exceptional items for the year ended 31st March, 2017 represents Fixed Assets written off of WDV of ₹ 178.49 lakhs arising out of physical verification of fixed assets and ₹ 157.74 lakhs towards write off of capital work in progress brought forward from earlier years.
- 47.** The Scheme of Amalgamation of Forex Finance Private Limited (FFPL) with the Company became effective on 5th September 2016 with effect from the Appointed date 1st April 2012. Pursuant to the same, the Board had allotted 32,14,284 new equity shares of ₹10/- each to the eligible shareholders of FFPL at its Board Meeting held on 7th September 2016. Listing and trading of the new shares started on BSE Limited and National Stock Exchange of India Limited on 30th November 2016 and 1st December 2016 respectively.
- 48.** Pursuant to section 230 and 232 of the Companies Act, 2013, the Board of Directors of the Company (AHEL) has approved a Scheme of Arrangement on 10th February, 2017 for (1) demerger of the investment division (Demerged Undertaking) of its wholly owned subsidiary, GJS Hotels Limited (GJS) with AHEL and (2) reorganisation of the Share Capital and Debentures of its step down subsidiary, Robust Hotels Private Limited (RHPL) with effect from the Appointed Date, being close of business hours on 31st March, 2016. Consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all shares held by GJS in RHPL will stand transferred to AHEL and RHPL will become a direct wholly owned subsidiary of AHEL. The Share Capital and Debentures of RHPL will also stand reorganised pursuant to the said Scheme. The Scheme is subject to requisite statutory approvals, including sanction by the National Company Law Tribunal (NCLT) and approval of the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has already received no adverse observation letters from BSE and NSE.
- 49.** Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhawar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED**

##### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Asian Hotels (East) Limited ("the Holding Company") and its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended and a summary of the 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 requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

##### **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 specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

##### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 including the Ind AS, of the consolidated financial position of the Group, as at 31 March 2017 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

##### **Other Matters**

We did not audit the financial statements / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of Rs.1,077.56 Crores and net assets of Rs. 467.14 crores as at 31st March, 2017, total revenues of 121.79 Crores and net cash inflow amounting to Rs.0.34 Crores for the year ended on that date, as considered in these consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries and our report on the consolidated financial results, to the extent they have been derived from such financial statements is based solely on reports of such other auditors.



## **CONSOLIDATED FINANCIAL STATEMENTS**

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

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated Cash Flow Statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that Company 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 Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (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, 2016, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also other financial information of the subsidiaries as noted in the "Other Matter" paragraph:
  - i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 45 to the consolidated Ind AS financial statements;
  - ii. the Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. no amount is required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31 March, 2017.
  - iv. the Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 39 to the consolidated Ind AS financial statements.

Place: Kolkata  
Date: 25th May 2017

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No: 000756N

**Neeraj Bansal**  
Partner  
Membership No: 095960

## **CONSOLIDATED FINANCIAL STATEMENTS**

**Annexure A to the Independent Auditor's Report to the members of ASIAN HOTELS (EAST) LIMITED (Company) dated 25th May 2017**

**Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section of our report referred above**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, We have audited the internal financial controls over financial reporting of **ASIAN HOTELS (EAST) LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary companies, 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 Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively 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 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

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

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No: 000756N

**Neeraj Bansal**  
Partner  
Membership No: 095960

Place: Kolkata  
Date: 25th May 2017

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED BALANCE SHEET as at 31st March 2017**

Particulars	Note	Amount in ₹		
		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>ASSETS</b>				
<b>(1) Non - current assets</b>				
(a) Property, plant and equipment	3	<b>7,108,595,396</b>	7,398,450,211	7,667,265,439
(b) Capital work in progress	4	<b>872,181</b>	19,283,403	18,881,523
(c) Goodwill on consolidation	5	<b>1,256,775,740</b>	1,063,675,210	1,063,675,210
(d) Other intangible assets	5	<b>9,193,726</b>	13,649,582	18,316,578
(e) Financial assets				
(i) Investments	6	<b>295,446,423</b>	182,305,957	182,305,957
(ii) Loans	7	<b>84,770</b>	84,770	84,770
(iii) Other financial assets	8	<b>28,669,904</b>	32,318,241	34,298,769
(f) Income tax assets (net)	9	<b>85,501,434</b>	67,778,856	14,175,308
(g) Other non-current assets	10	<b>274,879</b>	233,834	14,296,719
		<b>8,785,414,453</b>	8,777,780,064	9,013,300,273
<b>(2) Current assets</b>				
(a) Inventories	11	<b>34,537,914</b>	25,037,010	27,064,530
(b) Financial assets				
(i) Investments	6	<b>664,449,739</b>	1,945,611,534	2,146,288,694
(ii) Trade receivables	12	<b>113,699,235</b>	116,131,752	84,084,808
(iii) Cash and cash equivalents	13	<b>72,826,924</b>	69,356,628	61,874,682
(iv) Loans	7	<b>33,852,178</b>	640,914,724	642,943,571
(v) Other financial assets	8	<b>12,182,766</b>	14,194,333	14,288,717
(c) Income tax assets (net)	9	<b>35,401,246</b>	27,571,257	24,313,350
(d) Other current assets	10	<b>54,321,616</b>	67,022,102	65,343,527
		<b>1,021,271,618</b>	2,905,839,340	3,066,201,879
<b>Total Assets</b>		<b>9,806,686,071</b>	11,683,619,404	12,079,502,152
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	14	<b>115,277,970</b>	114,405,850	114,405,850
(b) Other equity	15	<b>7,634,923,655</b>	7,872,405,025	7,836,424,988
Equity attributable to owners of the Company		<b>7,750,201,625</b>	7,986,810,875	7,950,830,838
(c) Non-controlling interest		<b>317,123</b>	107,453,742	243,561,432
		<b>7,750,518,748</b>	8,094,264,617	8,194,392,270
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	16	<b>1,325,100,000</b>	1,398,600,000	3,103,050,000
(ii) Trade payables	17	-	-	2,482,565
(iii) Other financial liabilities	18	<b>1,574,000</b>	2,227,500	1,985,500
(b) Provisions	19	<b>28,103,500</b>	22,613,464	22,330,380
(c) Deferred tax liabilities (net)	20	<b>101,815,670</b>	164,046,946	173,422,076
		<b>1,456,593,170</b>	1,587,487,910	3,303,270,521
<b>(2) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	16	<b>45,065,670</b>	125,559,144	53,868,574
(ii) Trade payables	17	<b>308,429,143</b>	323,629,415	311,646,315
(iii) Other financial liabilities	18	<b>137,162,761</b>	1,453,750,293	127,892,153
(b) Provisions	19	<b>3,160,966</b>	6,696,606	3,373,648
(c) Other current liabilities	21	<b>105,755,613</b>	92,231,419	85,058,671
		<b>599,574,153</b>	2,001,866,877	581,839,361
<b>Total Equity &amp; Liabilities</b>		<b>9,806,686,071</b>	11,683,619,404	12,079,502,152

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2017**

Particulars	Note	Amount in ₹	
		Year ended 31.03.2017	Year ended 31.03.2016
I Revenue from operations	22	<b>1,952,130,366</b>	1,927,340,114
II Other income	23	<b>105,699,507</b>	154,270,893
<b>III Total income</b>		<b>2,057,829,873</b>	2,081,611,007
IV Expenses			
Consumption of provisions, beverages, smokes & others	24	<b>253,850,394</b>	250,846,563
Employee benefits expenses	25	<b>374,580,760</b>	353,792,173
Finance cost	26	<b>189,746,937</b>	376,796,124
Depreciation and amortization expenses	3	<b>309,643,738</b>	313,914,771
Other expenses	27	<b>891,211,983</b>	847,420,249
<b>Total expenses</b>		<b>2,019,033,812</b>	2,142,769,880
V Profit / (loss) before exceptional items and tax		<b>38,796,061</b>	-61,158,873
VI Exceptional items		<b>33,623,719</b>	-
<b>VII Profit / (loss) before tax</b>		<b>5,172,342</b>	-61,158,873
VIII Tax expense			
(1) Current tax		<b>52,464,723</b>	17,391,314
(2) Deferred tax		<b>-12,189,422</b>	-5,216,615
(3) MAT credit		<b>-132,782</b>	-4,315,841
(4) Tax for earlier years		<b>-826,826</b>	2,204,927
<b>IX Profit / (loss) for the period</b>		<b>-34,143,351</b>	-71,222,658
<b>X Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		<b>-1,209,880</b>	-1,204,745
Equity instruments through other comprehensive income		<b>22,806,801</b>	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>8,543</b>	-161,012
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		-	-
		<b>21,605,464</b>	-1,365,757
<b>XI Total comprehensive income for the period</b>		<b>-12,537,887</b>	-72,588,415
<b>XII Profit / (loss) for the period attributable to:</b>			
Owners of the Company		<b>-34,081,202</b>	64,351,637
Non-controlling interest		<b>-62,149</b>	-135,574,295
		<b>-34,143,351</b>	-71,222,658
<b>XIII Other comprehensive income for the period attributable to:</b>			
Owners of the Company		<b>21,605,464</b>	-832,362
Non-controlling interest		-	-533,395
		<b>21,605,464</b>	-1,365,757
<b>XIV Total comprehensive income for the period attributable to:</b>			
Owners of the Company		<b>-12,475,738</b>	63,519,275
Non-controlling interest		<b>-62,149</b>	-136,107,690
		<b>-12,537,887</b>	-72,588,415
<b>XV Earnings per equity share</b>			
(1) Basic	28	<b>-2.97</b>	5.62
(2) Diluted	28	<b>-2.97</b>	5.62

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

## CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2017

Particulars	Equity Share Capital	Reserves and Surplus				Other Comprehensive Income			Total equity attributable to owners of the Company	Attributable to Non Controlling Interest	Total Equity
		Retained earnings	General Reserve	Securities premium account	Capital Redemption Reserve	Capital reserve	Equity instruments through other comprehensive income	Other items of other comprehensive income			
<b>As at 01.4.2015</b>	<b>114,405,850</b>	<b>1,372,497,007</b>	<b>6,447,174,116</b>	<b>14,612,822</b>	<b>2,000,000</b>	<b>141,043</b>	-	-	<b>7,950,830,838</b>	<b>243,561,432</b>	<b>8,194,392,270</b>
Change in equity for the year ended March 31, 2016	-	-71,222,658	-	-	-	-	-	-	-71,222,658	-	-71,222,658
Profit/(Loss) for the period	-	-22,881,170	-	-	-	-	-	-	-22,881,170	-	-22,881,170
Dividend	-	-4,658,068	-	-	-	-	-	-	-4,658,068	-	-4,658,068
Corporate dividend tax	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit liability, net of tax	-	135,574,295	-	-	-	-	-	-1,365,757	-1,365,757	-	-1,365,757
Share of Non controlling interest	-	-15,000,000	15,000,000	-	-	-	-	533,395	136,107,690	-136,107,690	-
Profit transferred to general reserve	-	-	-	-	-	-	-	-	-	-	-
<b>As at 31.3.2016</b>	<b>114,405,850</b>	<b>1,394,309,406</b>	<b>6,462,174,116</b>	<b>14,612,822</b>	<b>2,000,000</b>	<b>141,043</b>	-	<b>-932,362</b>	<b>7,986,810,875</b>	<b>107,453,742</b>	<b>8,094,264,617</b>
Change in equity for the year ended March 31, 2017	-	-	-	-	-	-	-	-	-	-	-
Shares issue during the year	32,142,840	-	-	-	-	-	-	-	3,21,42,840	-	32,142,840
Shares cancelled on merger	-31,270,720	-	-	-	-	-	-	-	-31,270,720	-	-31,270,720
Profit for the period	-	-34,143,351	-	-	-	-	-	-	-34,143,351	-	-34,143,351
Dividend	-	-22,881,170	-	-	-	-	-	-	-22,881,170	-	-22,881,170
Corporate dividend tax	-	-4,658,068	-	-	-	-	-	-	-4,658,068	-	-4,658,068
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	-1,201,337	-1,201,337	-	-1,201,337
Equity instruments through OCI	-	-	-	-	-	-	-	22,806,801	22,806,801	-	22,806,801
Share premium reserve utilised on cancellation of shares	-	-	-983,253,246	-14,612,822	-	417,857,160	-	-	-580,008,908	-	-580,008,908
Addition on account of merger	-	260,930,829	121,611,685	-	-	-	-	-	38,25,42,514	-	38,25,42,514
Share of Non controlling interest	-	62,149	-	-	-	-	-	-	62,149	-62,149	-
Non-controlling interest adjustment on account of increase in control	-	-	-	-	-	-	-	-	-	-107,074,470	-107,074,470
Profit transferred to general reserve	-	-15,000,000	15,000,000	-	-	-	-	-	-	-	-
<b>As at 31.3.2017</b>	<b>115,277,970</b>	<b>1,578,619,795</b>	<b>5,615,532,555</b>	<b>2,000,000</b>	<b>417,998,203</b>	<b>22,806,801</b>	-	<b>-2,033,699</b>	<b>7,750,201,625</b>	<b>317,123</b>	<b>7,750,518,748</b>

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00393772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala** CFO & Vice President - Corporate Finance  
**Saumen Chatterjee** Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2017**

Particulars	Year ended	Amount in ₹
	31.03.2017	Year ended 31.03.2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,172,342	-61,158,873
Adjustment for :		
Depreciation/amortization	309,643,738	313,914,771
Loss/(profit) on sale of fixed assets	8,298,012	1,019,334
Interest expense	186,084,733	362,460,803
Other borrowing cost	3,662,205	14,197,845
Provision for bad and doubtful debts	1,199,223	1,379,969
Excess provision written back	-1,214,360	-12,652
Provision for gratuity	5,015,432	1,541,996
Provision for leave encashment	4,007,205	505,992
Interest income	-22,792,891	-25,149,953
Dividend income	-11,542,125	-180,405
Exceptional items	33,623,719	-
Fair value gain on mutual funds	-54,059,102	-126,507,632
Fair value gain on non current investments	-6,988,887	-
<b>Operating profit before working capital changes</b>	<b>460,109,244</b>	<b>482,011,195</b>
Movements in working capital :		
Increase/(decrease) in current trade payables	-15,200,272	11,995,752
Increase/(decrease) in non-current trade payables	-	-2,482,565
Increase/(decrease) in other current financial liabilities	-24,650,908	-1,706,578
Increase/(decrease) in other non-current financial liabilities	-653,500	242,000
Increase/(decrease) in other current liabilities	13,524,194	7,172,748
Increase/(decrease) in Provisions	-	353,309
Decrease/(increase) in trade receivables	2,447,654	-33,426,913
Decrease/(increase) in inventories	-9,500,904	2,027,520
Decrease / (increase) in non-current other financial assets	3,580,708	1,980,528
Decrease / (increase) in current loans	-8,128,922	740,454
Decrease / (increase) in other assets	12,700,486	12,321,424
<b>Cash generated from/(used in) operations</b>	<b>434,227,780</b>	<b>481,228,874</b>
Less: Direct taxes paid	66,203,092	76,461,382
<b>Net cash flow from/ (used in) Operating Activities (A)</b>	<b>368,024,688</b>	<b>404,767,492</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	-43,039,735	-41,916,579
Decrease/(Increase) in capital work in progress	2,636,775	-401,880
Decrease/(Increase) in capital advance	-41,045	62,885
Proceeds from sale of fixed assets	1,559,384	464,698
Purchase of current investments	-1,215,117,125	-72,826,137
Proceeds from sale/maturity of current investments	2,555,512,037	400,010,930
Non-current loans repaid / (given)	97,400,000	1,288,393
Interest received	24,804,458	25,244,337
Dividend received	11,542,125	180,405
<b>Net cash flow from/(used in) Investing Activities (B)</b>	<b>1,435,256,874</b>	<b>312,107,052</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	-1,553,631,828	-377,511,646
Proceeds from borrowings	-	71,690,570
Interest paid on borrowings	-219,071,410	-376,490,213
Dividend paid on shares	-22,449,960	-22,423,241
Tax on dividend paid	-4,658,068	-4,658,068
<b>Net cash flow from/(used in) in Financing Activities (C)</b>	<b>-1,799,811,266</b>	<b>-709,392,598</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>3,470,296</b>	<b>7,481,946</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>69,356,628</b>	<b>61,874,682</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>72,826,924</b>	<b>69,356,628</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala**  
CFO & Vice President - Corporate Finance

**Saumen Chatterjee**  
Chief Legal Officer & Company Secretary

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

#### **1. Company Overview and Significant Accounting Policies**

##### **1.1 Company overview**

Asian Hotels (East) Limited is a Public Limited Company listed with Bombay Stock Exchange and National Stock Exchange and is primarily engaged in the Hotel business through "Hyatt Regency Kolkata" a five-star Hotel situated in the city of Kolkata.

##### **1.2. Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

These financial statements are the first financial statements of the company under Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.1.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### **1.3 Functional & Presentation Currency**

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency.

##### **1.4 Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### **1.5 Significant Accounting Policies**

###### **a. Property Plant & Equipment:**

Under the previous Indian GAAP, property plant and equipment were carried in the balance sheet on the basis of historical cost. The company has regarded the same as deemed cost and presented same values in Ind- AS compliant financials.

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction 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 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. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is calculated on a straight-line basis using the rates based on the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013. If the asset is purchased on or before the 15th of month depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase. No depreciation is charged for the quarter on the assets sold/ discarded during the year.

###### **b. Investments in Subsidiaries**

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company's investment in the equity shares of its subsidiaries are recognized at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries are recognized at fair value.

###### **c. Inventories**

Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion & selling expenses.

###### **d. 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 recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

###### **Subsequent measurement**

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

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

- (i) Financial Asset at amortized cost
- (ii) Financial Asset At Fair Value through other comprehensive income (OCI)
- (iii) Financial Asset at Fair value through profit and loss (PL)

#### **Financial Asset at amortized cost**

A 'Financial Asset' is measured at the amortized 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit or loss.

#### **Financial Asset at Fair value through OCI**

A 'Financial Asset' 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.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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

FVTPL is a residual category for Financial Assets. Any financial asset, 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 Financial asset, 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').

#### **Equity Instruments**

All the equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. 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.

#### **Derecognition of Financial asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized 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.

#### **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')
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

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.

#### **Financial Liabilities**



## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

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

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For financial liabilities maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

#### **Subsequent Measurement**

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

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

##### **Financial Liabilities at amortized cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

#### **e. Cash and Cash Equivalents**

Cash and Cash Equivalent in 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.

#### **f. Provisions, Contingent liabilities**

Provisions are recognized 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. The expense relating to a provision is presented in the statement of profit and loss.

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 recognized as a finance cost.

A contingent liability is disclosed in case of;

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible ;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

#### **g. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow 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.

#### **h. Other Income**

Other income is comprised primarily of interest income, dividend income, gain on sale of investments and exchange gain/loss on translation of assets and liabilities. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recognised using the effective interest rate (EIR). Dividend income is recognised when right to receive payment is established.

#### **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 are capitalized 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. Income taxes**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**k. Earnings per share**

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity shares during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning 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.

**l. 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 fulfillment 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 2014, 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 cost. 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.

**m. Fair Value Measurement**

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.

**n. Employee benefits**

**Provident Fund:** 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.

**Gratuity & Leave Encashment (Unfunded):** Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by an independent actuary using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

**o. Foreign Currencies**

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their 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).

**p. Dividend**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**q. Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements".

The Consolidated Financial Statements comprise the financial statements of Asian Hotels (East) Limited and the following subsidiaries:-

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>% of Holding as on 31-March 2017</b>
GJS Hotels Limited	India	100
Regency Convention Centre & Hotels Limited	India	58.99
Robust Hotels Private Limited	India	100

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

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

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

Goodwill arising in Consolidated Financial Statements on consolidation of Financial Statements of the Company and its subsidiary companies have been capitalised to the extent not impaired in the books of the Company. The Company has elected to measure the value of goodwill at previous IGAAP value as on the transition date.

**2.1 First-time adoption of Ind-AS**

These are the company's first financial statements prepared in accordance with Ind AS. For the year ended 31st March 2016, the company had prepared its financial statements in accordance with Companies (Accounting Standard) Rules 2006, notified under Section 133 of the Act and other relevant provisions of the Act (previous GAAP).

The accounting policies set out in note 1.5 have been applied in preparing the financial statements for the year ended 31 March 2017, including the comparative information for the year ended 31 March 2016 and then opening Ind AS balance sheet on the date of transition i.e. 1st April 2015.

In preparing its Ind AS balance sheet as at 1st April 2015 and in presenting the comparative information for the year end 31st March 2016, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet and Statement of Profit and Loss, is set out in note 2.2, 2.3 & 2.4.

**Exemptions and exceptions availed**

**Exemptions**

**Deemed Cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at previous IGAAP value.

**Investments in subsidiaries**

The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries, associates and joint ventures are recognized at fair value.

**Estimates**

The estimates at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

FVTOCI - equity shares

Amortised cost - debt securities

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 2015, the date of transition to Ind AS and as of 31 March 2016.

**Exceptions**

**Classification and measurement of financial assets**

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exists at the date of transition to Ind -AS.

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**RECONCILIATION OF CONSOLIDATED BALANCE SHEET as at 1st April 2015**

**Note: 2.2**

Amount in ₹

Particulars	IGAAP as at 01.04.2015	Effect of transition to Ind-AS	Ind AS as at 01.04.2015
<b>ASSETS</b>			
(1) <b>Non - current assets</b>			
(a) Property, plant and equipment	7,667,265,439	-	7,667,265,439
(b) Capital work in progress	18,881,523	-	18,881,523
(c) Goodwill on consolidation	1,063,675,210	-	1,063,675,210
(d) Other intangible assets	18,316,578	-	18,316,578
(e) Financial assets	-		
(i) Investments	156,684,000	25,621,957	182,305,957
(ii) Loans	84,770	-	84,770
(iii) Other financial assets	34,298,769	-	34,298,769
(f) Income tax assets (net)	14,175,308	-	14,175,308
(g) Other non-current assets	14,296,719	-	14,296,719
	<u>8,987,678,316</u>	<u>25,621,957</u>	<u>9,013,300,273</u>
(2) <b>Current assets</b>			
(a) Inventories	27,064,530	-	27,064,530
(b) Financial assets			
(i) Investments	1,808,037,074	338,251,620	2,146,288,694
(ii) Trade receivables	84,084,808	-	84,084,808
(iii) Cash and cash equivalents	61,874,682	-	61,874,682
(iv) Loans	642,943,571	-	642,943,571
(v) Other financial assets	14,288,717	-	14,288,717
(c) Income tax assets (net)	24,313,350	-	24,313,350
(d) Other current assets	65,343,527	-	65,343,527
	<u>2,727,950,259</u>	<u>338,251,620</u>	<u>3,066,201,879</u>
<b>Total Assets</b>	<b><u>11,715,628,575</u></b>	<b><u>363,873,577</u></b>	<b><u>12,079,502,152</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	114,405,850	-	114,405,850
(b) Other equity	7,453,195,826	383,229,162	7,836,424,988
Equity attributable to owners of the Company	7,567,601,676	383,229,162	7,950,830,838
(c) Non-controlling interest	-	243,561,432	243,561,432
	<u>7,567,601,676</u>	<u>626,790,594</u>	<u>8,194,392,270</u>
<b>MINORITY INTEREST</b>	235,377,779	-235,377,779	-
<b>LIABILITIES</b>			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	3,103,050,000	-	3,103,050,000
(ii) Trade payables	2,482,565	-	2,482,565
(iii) Other financial liabilities	1,985,500	-	1,985,500
(b) Provisions	22,330,380	-	22,330,380
(c) Deferred tax liabilities (net)	173,422,076	-	173,422,076
	<u>3,303,270,521</u>	<u>-</u>	<u>3,303,270,521</u>
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	53,868,574	-	53,868,574
(ii) Trade payables	311,646,315	-	311,646,315
(iii) Other financial liabilities	127,892,153	-	127,892,153
(b) Provisions	30,912,886	-27,539,238	3,373,648
(c) Other current liabilities	85,058,671	-	85,058,671
	<u>609,378,599</u>	<u>-27,539,238</u>	<u>581,839,361</u>
<b>Total Equity &amp; Liabilities</b>	<b><u>11,715,628,575</u></b>	<b><u>363,873,577</u></b>	<b><u>12,079,502,152</u></b>

## *Asian Hotels (East) Limited*

### **CONSOLIDATED FINANCIAL STATEMENTS**

#### **Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS**

##### **Investments**

Investment in equity shares of Maple Investment Private Limited are carried at Fair Value through Profit and Loss account in accordance with Ind-AS as compared to being carried at cost under IGAAP.

Investment in units of mutual funds and equity shares are carried at Fair Value through Profit and Loss account in Ind-AS as compared to being carried at cost under IGAAP.

##### **Provisions**

Under previous GAAP, dividends proposed by the board of directors after reporting date but before the approval of financial statements were considered to be adjusting event and accordingly recognised (along with related dividend distribution tax) as liabilities at the reporting date. Under Ind AS, dividends so proposed by the board are considered to be non adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed.

##### **Non controlling interest**

Under previous GAAP, non-controlling interest were presented in the consolidated balance sheet separately as minority interest from the equity and liabilities. Under Ind AS, non-controlling interests are presented in consolidated balance sheet within total equity, separately from equity attributable to the owners of the Company. Non-controlling interest has been increased on account of transition date adjustments in the books of subsidiary.

##### **Other equity**

Adjustments to retained earnings has been made in accordance with Ind AS, for the above mentioned line item.

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**RECONCILIATION OF CONSOLIDATED BALANCE SHEET as at 31st March 2016**

**Note: 2.3**

Amount in ₹

Particulars	IGAAP as at 31.03.2016	Effect of transition to Ind-AS	Ind AS as at 31.03.2016
<b>ASSETS</b>			
(1) <b>Non - current assets</b>			
(a) Property, plant and equipment	7,398,450,211	-	7,398,450,211
(b) Capital work in progress	19,283,403	-	19,283,403
(c) Goodwill on consolidation	1,063,675,210	-	1,063,675,210
(d) Other intangible assets	13,649,582	-	13,649,582
(e) Financial assets			
(i) Investments	156,684,000	25,621,957	182,305,957
(ii) Loans	84,770	-	84,770
(iii) Other financial assets	32,318,241	-	32,318,241
(f) Income tax assets (net)	67,778,856	-	67,778,856
(g) Other non-current assets	2,33,834	-	2,33,834
	<u>8,752,158,107</u>	<u>25,621,957</u>	<u>8,777,780,064</u>
(2) <b>Current assets</b>			
(a) Inventories	25,037,010	-	25,037,010
(b) Financial assets			
(i) Investments	1,546,657,897	398,953,637	1,945,611,534
(ii) Trade receivables	116,131,752	-	116,131,752
(iii) Cash and cash equivalents	69,356,628	-	69,356,628
(iv) Loans	640,914,724	-	640,914,724
(v) Other financial assets	14,194,333	-	14,194,333
(c) Income tax assets (net)	27,571,257	-	27,571,257
(d) Other current assets	67,022,102	-	67,022,102
	<u>2,506,885,703</u>	<u>398,953,637</u>	<u>2,905,839,340</u>
<b>Total Assets</b>	<b><u>11,259,043,810</u></b>	<b><u>424,575,594</u></b>	<b><u>11,683,619,404</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	114,405,850	-	114,405,850
(b) Other equity	7,361,456,090	510,948,935	7,872,405,025
Equity attributable to owners of the Company	7,475,861,940	510,948,935	7,986,810,875
(c) Non-controlling interest	-	107,453,742	107,453,742
	<u>7,475,861,940</u>	<u>618,402,677</u>	<u>8,094,264,617</u>
<b>MINORITY INTEREST</b>	166,262,138	-166,262,138	-
<b>LIABILITIES</b>			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	1,398,600,000	-	1,398,600,000
(ii) Other financial liabilities	2,227,500	-	2,227,500
(b) Provisions	22,613,464	-	22,613,464
(c) Deferred tax liabilities (net)	164,046,946	-	164,046,946
	<u>1,587,487,910</u>	<u>-</u>	<u>1,587,487,910</u>
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	125,559,144	-	125,559,144
(ii) Trade payables	323,629,415	-	323,629,415
(iii) Other financial liabilities	1,453,750,293	-	1,453,750,293
(b) Provisions	34,261,551	-27,564,945	6,696,606
(c) Other current liabilities	92,231,419	-	92,231,419
	<u>2,029,431,822</u>	<u>-27,564,945</u>	<u>2,001,866,877</u>
<b>Total Equity &amp; Liabilities</b>	<b><u>11,259,043,810</u></b>	<b><u>424,575,594</u></b>	<b><u>11,683,619,404</u></b>

## *Asian Hotels (East) Limited*

### **CONSOLIDATED FINANCIAL STATEMENTS**

#### **Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to INDAS**

##### **Investments**

Investments in units of mutual funds and equity shares are carried at fair value through profit & loss in Ind AS compared to being carried at cost under IGAAP.

##### **Provisions**

Under previous GAAP, dividends proposed by the board of directors after reporting date but before the approval of financial statements were considered to be adjusting event and accordingly recognised (along with related dividend distribution tax) as liabilities at the reporting date. Under Ind AS, dividends so proposed by the board are considered to be non adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed.

##### **Non controlling interest**

Under previous GAAP, non-controlling interest were presented in the consolidated balance sheet separately as minority interest from the equity and liabilities. Under Ind As, non-controlling interests are presented in consolidated balance sheet within total equity, separately from equity attributable to the owners of the Company.

##### **Other equity**

Adjustments to retained earnings has been made in accordance with Ind AS, for the above mentioned line item.

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**RECONCILIATION OF STATEMENT OF PROFIT & LOSS for the year ended 31st March 2016**

**Note: 2.4**

Amount in ₹

Particulars	IGAAP Year ended 31.03.2016	Effect of transition to Ind-AS	Ind AS Year ended 31.03.2016
I Revenue from operations	1,927,340,114	-	1,927,340,114
II Other income	93,568,876	60,702,017	154,270,893
<b>III Total income</b>	<b>2,020,908,990</b>	<b>60,702,017</b>	<b>2,081,611,007</b>
IV Expenses			
Consumption of provisions, beverages, smokes & others	250,846,563	-	250,846,563
Employee benefits expenses	354,996,918	-1,204,745	353,792,173
Finance cost	376,796,124	-	376,796,124
Depreciation and amortization expenses	313,914,771	-	313,914,771
Other expenses	847,420,249	-	847,420,249
Total expenses	<b>2,143,974,625</b>	<b>-1,204,745</b>	<b>2,142,769,880</b>
V Profit / (loss) before exceptional items and tax	-123,065,635	61,906,762	-61,158,873
VI Exceptional items	-	-	-
<b>VII Profit / (loss) before tax</b>	<b>-123,065,635</b>	<b>61,906,762</b>	<b>-61,158,873</b>
VIII Tax expense			
(1) Current tax	17,391,314	-	17,391,314
(2) Deferred tax	-5,055,603	-161,012	-5,216,615
(3) MAT Credit	-4,315,841	-	-4,315,841
(4) Tax for earlier years	2,204,927	-	2,204,927
<b>IX Profit / (loss) for the period</b>	<b>-133,290,432</b>	<b>62,067,774</b>	<b>-71,222,658</b>
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability	-	-1,204,745	-1,204,745
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-161,012	-161,012
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	-	-	-
	-	-1,365,757	-1,365,757
<b>XI Total comprehensive income for the period</b>	<b>-133,290,432</b>	<b>60,702,017</b>	<b>-72,588,415</b>

**Explanations for reconciliation of Statement of profit & loss as previously reported under IGAAP to INDAS**

**Other Income**

Adjustments reflect impact of valuation of investments in units of mutual fund and equity shares at fair value through profit & loss account as per Ind AS 109.

**Employee benefits expenses**

As per Ind AS 19 - Employee Benefits, actuarial gains and losses are recognised in other comprehensive income as compared to being recognised in the statement of profit and loss under IGAAP.

**Tax expense**

Tax component of actuarial gain and losses which is transferred to other comprehensive income under Ind AS.



**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**3. PROPERTY, PLANT & EQUIPMENT**

Amount in ₹

Particulars	Freehold Land	Leasehold Land	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value as at 01.04.2015</b>	<b>1,540,585,512</b>	<b>339,210,704</b>	<b>4,103,938,548</b>	<b>2,416,513,180</b>	<b>762,187,508</b>	<b>13,925,487</b>	<b>9,176,360,939</b>
Additions	-	14,400,412	2,325,345	17,322,204	5,448,562	1,665,842	41,162,365
Deletions	-	-	-	5,709,328	-	2,324,938	8,034,266
<b>Gross carrying value as at 31.03.2016</b>	<b>1,540,585,512</b>	<b>353,611,116</b>	<b>4,106,263,893</b>	<b>2,428,126,056</b>	<b>767,636,070</b>	<b>13,266,391</b>	<b>9,209,489,038</b>
Additions	-	1,188,449	18,682,985	17,469,314	4,364,882	-	41,705,630
Disposals	-	-	-	31,737,071	3,779,190	416,214	35,932,475
<b>Gross carrying value as at 31.03.2017</b>	<b>1,540,585,512</b>	<b>354,799,565</b>	<b>4,124,946,878</b>	<b>2,413,858,299</b>	<b>768,221,762</b>	<b>12,850,177</b>	<b>9,215,262,193</b>
<b>Accumulated depreciation as at 01.04.2015</b>	-	-	<b>336,657,061</b>	<b>821,231,881</b>	<b>339,562,401</b>	<b>11,644,157</b>	<b>1,509,095,500</b>
Charge for the year	-	-	65,641,049	165,679,709	76,357,716	815,087	308,493,561
Deletions	-	-	-	4,277,639	-	2,272,595	6,550,234
<b>Accumulated depreciation as at 31.03.2016</b>	-	-	<b>402,298,110</b>	<b>982,633,951</b>	<b>415,920,117</b>	<b>10,186,649</b>	<b>1,811,038,827</b>
Charge for the year	-	-	65,728,544	161,413,347	76,220,407	491,479	303,853,777
Disposals	-	-	-	4,985,434	2,824,159	416,214	8,225,807
<b>Accumulated depreciation as at 31.03.2017</b>	-	-	<b>468,026,654</b>	<b>1,139,061,864</b>	<b>489,316,365</b>	<b>10,261,914</b>	<b>2,106,666,797</b>
<b>Net carrying value as at 01.04.2015</b>	<b>1,540,585,512</b>	<b>339,210,704</b>	<b>3,767,281,487</b>	<b>1,595,281,299</b>	<b>422,625,107</b>	<b>2,281,330</b>	<b>7,667,265,439</b>
<b>Net carrying value as at 31.03.2016</b>	<b>1,540,585,512</b>	<b>353,611,116</b>	<b>3,703,965,783</b>	<b>1,445,492,105</b>	<b>351,715,953</b>	<b>3,079,742</b>	<b>7,398,450,211</b>
<b>Net carrying value as at 31.03.2017</b>	<b>1,540,585,512</b>	<b>354,799,565</b>	<b>3,656,920,224</b>	<b>1,274,796,435</b>	<b>278,905,397</b>	<b>2,588,263</b>	<b>7,108,595,396</b>

**4. CAPITAL WORK IN PROGRESS**

Amount in ₹

Particulars	Total
<b>Carrying value as at 01.04.2015</b>	<b>18,881,523</b>
Additions	2,727,225
Deletions	2,325,345
<b>Carrying value as at 31.03.2016</b>	<b>19,283,403</b>
Additions	-
Disposals	18,411,222
<b>Carrying value as at 31.03.2017</b>	<b>872,181</b>

**5. INTANGIBLE ASSETS**

Amount in ₹

Particulars	Software	Goodwill on Consolidation	Total
<b>Gross carrying value as at 01.04.2015</b>	<b>36,597,112</b>	<b>1,063,675,210</b>	<b>1,100,272,322</b>
Additions	754,214	-	754,214
Deletions	-	-	-
<b>Gross carrying value as at 31.03.2016</b>	<b>37,351,326</b>	<b>1,063,675,210</b>	<b>1,101,026,536</b>
Additions	1,334,105	193,100,530	194,434,635
Disposals	-	-	-
<b>Gross carrying value as at 31.03.2017</b>	<b>38,685,431</b>	<b>1,256,775,740</b>	<b>1,295,461,171</b>
<b>Accumulated depreciation as at 01.04.2015</b>	<b>18,280,534</b>	-	<b>18,280,534</b>
Charge for the year	5,421,210	-	5,421,210
Deletions	-	-	-
<b>Accumulated depreciation as at 31.03.2016</b>	<b>23,701,744</b>	-	<b>23,701,744</b>
Charge for the year	5,789,961	-	5,789,961
Disposals	-	-	-
<b>Accumulated depreciation as at 31.03.2017</b>	<b>29,491,705</b>	-	<b>29,491,705</b>
<b>Net carrying value as at 01.04.2015</b>	<b>18,316,578</b>	<b>1,063,675,210</b>	<b>1,081,991,788</b>
<b>Net carrying value as at 31.03.2016</b>	<b>13,649,582</b>	<b>1,063,675,210</b>	<b>1,077,324,792</b>
<b>Net carrying value as at 31.03.2017</b>	<b>9,193,726</b>	<b>1,256,775,740</b>	<b>1,265,969,466</b>

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**6. INVESTMENTS**

Amount in ₹

<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
Non-Current			
Quoted			
Investment carried at FVTOCI			
Investment in equity shares of Asian Hotels (West) Limited			
458,377 (previous year: Nil) equity shares of ₹10/- each fully paid up	<b>104,051,579</b>	-	-
Investment carried at amortised cost			
Investment in Bonds of Indian Railways Financial Corporation Limited			
150,000 (previous year: 150,000) 8.23% tax free bonds of ₹1000/-each	<b>150,000,000</b>	150,000,000	150,000,000
Unquoted	<b>254,051,579</b>	150,000,000	150,000,000
Investments carried at FVTPL			
875,000 (previous year: 6,65,000) Class-B Equity Shares of Maple Renewable Power Private Limited of ₹ 10/- each	<b>41,360,844</b>	32,271,957	32,271,957
Investment carried at amortised cost			
Investment in Government Securities	<b>34,000</b>	34,000	34,000
	<b>41,394,844</b>	32,305,957	32,305,957
	<b>295,446,423</b>	<b>182,305,957</b>	<b>182,305,957</b>
Aggregate value of quoted investments	<b>254,051,579</b>	150,000,000	150,000,000
Aggregate value of unquoted investments	<b>41,394,844</b>	32,305,957	32,305,957
Aggregate amount of provision for diminution in value of investments	-	-	-

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**6. INVESTMENTS**

Amount in ₹

Particulars	As at	As at	As at	As at	As at	As at
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
	No. of shares	No. of shares	No. of shares	₹	₹	₹
<b>Current</b>						
Quoted, fully paid up						
Investment in equity shares carried at FVTPL						
Ahlcons Parenterals Limited (FV ₹10 each)	-	-	800	-	-	412,000
Apcotex Industries Limited (FV ₹5 each)	-	-	300	-	-	149,475
Arman Financial Services Ltd. (FV ₹10 each)	-	-	1,500	-	-	186,000
Ashapura Minechem Ltd (FV ₹2 each)	-	-	6,600	-	-	484,440
Atul Auto Limited (FV ₹5 each)	-	-	1,254	-	-	697,914
Capital First Limited (FV ₹10 each)	-	-	3,122	-	-	1,246,927
DCM Shriram Ltd. (FV ₹2 each)	-	-	248	-	-	26,635
Dhanuka Agritech Limited (FV ₹2 each)	-	-	1,450	-	-	985,855
Gateway Distriparks Limited (FV ₹10 each)	-	-	1,423	-	-	584,711
Godrej Properties Ltd (FV ₹5 each)	-	-	1,050	-	-	263,708
Gujarat Pipavav Port Limited (FV ₹10 each)	-	-	6,872	-	-	1,663,368
Granules India Limited (FV ₹1 each)	-	-	5,650	-	-	481,098
Greenlam Industries Limited (FV ₹5 each)	-	-	825	-	-	362,546
Greenply Industries Limited (FV ₹5 each)	-	-	825	-	-	778,841
Indusind Bank Limited (FV ₹10 each)	-	-	1,177	-	-	1,042,822
Intec Capital Ltd. (FV ₹10 each)	-	-	747	-	-	63,495
IPCA Laboratories Ltd. (FV ₹2 each)	-	-	498	-	-	316,653
Jyothy Laboratories Limited (FV ₹1 each)	-	-	1,931	-	-	516,156
KPIT Technologies Limited (FV - ₹2 each)	-	-	3,793	-	-	714,981
M & M Financial Services Ltd.(FV ₹2 each)	-	-	1,436	-	-	364,600
Oriental Carbon & Chemicals Limited (FV ₹10 each)	-	-	3,364	-	-	1,515,818
Persistent Systems Limited (FV ₹10 each)	-	-	720	-	-	514,296
PTC India Financial Services Ltd (FV ₹10 each)	-	-	5,640	-	-	311,610
PVR Limited (FV ₹10 each)	-	-	701	-	-	464,693
Selan Exploration Technology Ltd (FV ₹10 each)	-	-	1,417	-	-	322,013
Shasun Pharmaceuticals Ltd (FV ₹2 each)	-	-	4,100	-	-	1,526,840
Shilpa Medicare Limited (FV ₹2 each)	-	-	1,524	-	-	1,513,561
Shriram Transport Finance Co. Ltd. (FV ₹10 each)	-	-	969	-	-	1,079,805
SMS Pharmaceuticals Ltd (FV ₹10 each)	-	-	536	-	-	270,734
Snowman Logistics Ltd. (FV ₹10 each)	-	-	2,700	-	-	229,500
South Indian Bank Limited (FV ₹1 each)	-	-	8,530	-	-	214,956
Sterling Holiday Resorts India Ltd (FV ₹10 each)	-	-	6,960	-	-	1,680,143
Strides Arcolab Limited (FV ₹10 each)	-	-	1,247	-	-	1,472,520
Sunteck Realty Limited (FV ₹2 each)	-	-	1,755	-	-	437,960
SQS India BFSI Limited (FV ₹10 each)	-	-	955	-	-	544,350
Uniply Industries Limited (FV ₹10 each)	-	-	8,570	-	-	308,092
<b>Total (A)</b>						<b>23,749,116</b>

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**6. INVESTMENTS**

Particulars	Amount in ₹					
	As at 31.03.2017 No. of units	As at 31.03.2016 No. of units	As at 01.04.2015 No. of units	As at 31.03.2017 ₹	As at 31.03.2016 ₹	As at 01.04.2015 ₹
Unquoted, fully paid up						
Investment carried at FVTPL						
In units of Mutual Funds						
DSP BlackRock Short Term Fund Regular Plan- Growth*	-	11,252,127	11,252,127	-	289,808,662	268,431,871
DHFL Pramerica (DWS) Short Maturity Fund - Growth*	-	8,101,478	8,101,478	-	220,363,435	203,987,108
HDFC Income Fund - Growth*	-	4,389,855	4,389,855	-	148,370,092	140,646,141
HDFC Income Fund - Growth	-	727,421	727,421	-	24,585,661	23,305,764
HDFC Liquid Fund - DDR	-	-	16,024	-	-	163,419
ICICI Prudential Dynamic Bond Fund - Growth*	-	11,208,615	11,208,615	-	189,543,286	175,355,421
ICICI Prudential Fixed Maturity Plan-Series 68#	-	10,000,000	10,000,000	-	127,216,000	117,315,000
Kotak Bond Scheme Plan A - Growth*	-	15,974,828	21,903,565	-	671,695,205	874,462,594
Kotak FMP Series 106-Growth #	-	7,341,116	7,341,116	-	93,309,255	85,949,052
Pramerica Liquid Fund	-	-	357	-	-	533,215
UTI Bond Fund-Growth Plan-Regular*	-	4,105,424	5,544,223	-	180,719,938	232,389,993
ICICI Prudential Flexible Income Plan-Daily Dividend Reinvestment	<b>1,887,968</b>	-	-	<b>199,625,766</b>	-	-
ICICI Prudential Savings Fund - Daily Dividend Reinvestment	<b>1,014,163</b>	-	-	<b>102,862,505</b>	-	-
UTI Short Term Income Fund-Institutional Plan - Growth	<b>13,007,280</b>	-	-	<b>259,345,659</b>	-	-
UTI Treasury Advantage Fund -Instt.-Plan-Daily Dividend Reinvestment	<b>102,368</b>	-	-	<b>102,615,809</b>	-	-
<b>Total (B)</b>				<b>664,449,739</b>	1,945,611,534	2,122,539,578
<b>Total (A+B)</b>				<b>664,449,739</b>	1,945,611,534	2,146,288,694
* Pledged against loan taken from ICICI Bank Limited (Refer Note 16)				-	1,700,500,618	1,895,273,128
# Pledged against overdraft facility taken from ICICI Bank Limited (refer Note 16)				-	220,525,255	203,264,052
Aggregate amount of quoted investments				-	-	23,749,116
Aggregate amount of unquoted investments				<b>664,449,739</b>	1,945,611,534	2,122,539,578
Aggregate amount of adjustments to impairment in value of investments				-	-	-

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

<b>7. LOANS</b>				Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015	
<b>Non-current</b>				
Loan to other parties	<b>84,770</b>	84,770	84,770	
	<b>84,770</b>	84,770	84,770	
<b>Current</b>				
Loans/advance to companies in which directors or their relatives exercise significant influence				
Forex Finance Pvt. Limited	-	532,000,000	532,000,000	
Chartered Hotels Private Limited	-	-	349,310	
Juniper Hotels Private Limited	-	-	297,378	
Chartered Hampi Hotels Pvt. Ltd.	-	-	126,168	
Taragaon Regency Hotels Ltd.	-	-	131,155	
Unison Hotels Pvt. Limited	-	-	222,798	
Yak & Yeti Hotels Ltd.	-	-	161,584	
Other loans and advances				
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd. (refer note 40 )	<b>33,448,275</b>	33,448,275	33,448,275	
Inter corporate deposit	-	75,000,000	75,000,000	
Employee advance	<b>403,903</b>	466,449	1,206,903	
	<b>33,852,178</b>	640,914,724	642,943,571	
<b>8. OTHER FINANCIAL ASSETS</b>				Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015	
<b>Non - current</b>				
Security deposits	<b>28,669,904</b>	32,318,241	34,298,769	
	<b>28,669,904</b>	32,318,241	34,298,769	
<b>Current</b>				
Interest accrued but not due	<b>12,182,766</b>	12,174,881	12,291,457	
Interest accrued and due	-	2,019,452	1,997,260	
	<b>12,182,766</b>	14,194,333	14,288,717	
<b>9. INCOME TAX ASSETS (net)</b>				Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015	
<b>Non-current</b>				
Income tax assets	<b>413,918,083</b>	355,498,524	282,548,572	
Less: Provision for taxes	<b>328,416,649</b>	287,719,668	268,373,264	
	<b>85,501,434</b>	67,778,856	14,175,308	
<b>Current</b>				
Income tax assets	<b>36,253,480</b>	28,290,709	24,813,350	
Less: Provision for taxes	<b>852,234</b>	719,452	500,000	
	<b>35,401,246</b>	27,571,257	24,313,350	

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

<b>10. OTHER ASSETS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Capital advance	274,879	233,834	296,719
Stamp duty recoverable from Odisha Govt.	-	-	14,000,000
	<b>274,879</b>	233,834	14,296,719
<b>Current</b>			
Advance to suppliers	15,027,029	18,176,359	12,724,905
Prepaid expenses	18,648,921	23,519,654	22,201,651
Balance with statutory authorities	20,645,666	25,326,089	30,416,971
	<b>54,321,616</b>	67,022,102	65,343,527
<b>11. INVENTORIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Current</b> (valued at cost or net realisable value whichever is lower)			
Food, Liquor & Tobacco	31,341,932	21,573,925	23,643,742
General Stores and Spares	3,195,982	3,463,085	3,420,788
	<b>34,537,914</b>	25,037,010	27,064,530
<b>12. TRADE RECEIVABLES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Exceeding 6 months from payment due date			
- Unsecured, considered good	17,984,062	15,426,890	18,093,106
- Doubtful	1,089,475	2,934,729	2,936,459
	<b>19,073,537</b>	18,361,619	21,029,565
Less: allowance for bad & doubtful debts	1,089,475	2,934,729	2,936,459
	<b>17,984,062</b>	15,426,890	18,093,106
Other trade receivables			
- Unsecured, considered good	95,715,173	100,704,862	65,991,702
- Doubtful	528,756	-	-
	<b>96,243,929</b>	100,704,862	65,991,702
Less: allowance for bad & doubtful debts	528,756	-	-
	<b>95,715,173</b>	100,704,862	65,991,702
	<b>113,699,235</b>	116,131,752	84,084,808
<b>13. CASH &amp; CASH EQUIVALENTS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Balance with banks			
In current accounts	36,732,709	26,757,592	19,837,343
In fixed deposit accounts *	20,000,000	20,000,000	20,000,000
In unpaid dividend accounts	4,414,916	3,983,706	3,525,777
In margin money deposit	8,890,773	15,663,173	15,356,496
Cash on hand (including Stamps in hand ₹189,673)	2,445,880	2,846,204	2,739,230
Cheques on hand	342,646	105,953	415,836
	<b>72,826,924</b>	69,356,628	61,874,682

\* The Company maintains an overdraft account and has given revolving letter of credit to West Bengal State Electricity Distribution Company Limited secured against fixed deposits.

Cash and cash equivalents as of March 31, 2017, March 31, 2016 and April 1, 2015 include restricted cash and bank balances of Rs. 88,90,773/-, 1,56,63,173/- and Rs. 1,53,56,496/-.

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

<b>14. SHARE CAPITAL</b>	Amount in ₹		
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
Authorised Shares			
14,000,000 Equity shares of ₹10/- each	140,000,000	140,000,000	140,000,000
1,000,000 Preference shares of ₹10/- each	10,000,000	10,000,000	10,000,000
Issued, subscribed & paid up			
11,527,797 (previous year: 11,440,585) Equity Shares of ₹10/- each	115,277,970	114,405,850	114,405,850
Total	115,277,970	114,405,850	114,405,850
<b>Reconciliation of the shares outstanding at the beginning and at the end of the reporting year</b>			
At the beginning of the year	<b>11,440,585</b>	11,440,585	11,440,585
Issued during the year	<b>3,214,284</b>	-	-
Cancelled during the year	<b>(3,127,072)</b>	-	-
At the end of the year	<b>11,527,797</b>	11,440,585	11,440,585

**Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

<b>Equity shares</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
	<b>% of Holding</b>	% of Holding	% of Holding	<b>No. of Shares</b>	No. of Shares	No. of Shares
Saraf Industries Limited	<b>31.49%</b>	31.73%	31.73%	<b>3,630,630</b>	3,630,630	3,630,630
Forex Finance Private Limited	-	27.33%	27.33%	-	3,127,072	3,127,072
Radhe Shyam Saraf	<b>28.49%</b>	5.00%	5.00%	<b>3,284,680</b>	571,930	571,930
Axis Bank Limited	<b>5.42%</b>	1.16%	1.16%	<b>624,487</b>	133,276	133,276
Ratna Saraf	<b>5.36%</b>	-	-	<b>617,347</b>	-	-

<b>15. OTHER EQUITY</b>	Amount in ₹		
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
Capital reserve	<b>417,998,203</b>	141,043	141,043
Capital redemption reserve	<b>2,000,000</b>	2,000,000	2,000,000
Securities premium reserve	-	14,612,822	14,612,822
General reserve	<b>5,615,532,555</b>	6,462,174,116	6,447,174,116
Retained earnings	<b>1,578,619,795</b>	1,394,309,406	1,372,497,007
FVTOCI reserve	<b>20,773,102</b>	-832,362	-
	<b>7,634,923,655</b>	7,872,405,025	7,836,424,988
Non controlling interest	<b>317,123</b>	107,453,742	243,561,432
	<b>7,635,240,778</b>	7,979,858,767	8,079,986,420

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**16. BORROWINGS**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Secured			
Loan from ICICI Bank (refer note 16.1)	-	1,319,438,354	1,650,000,000
Less: Repayable within one year	-	1,319,438,354	-
	-	-	1,650,000,000
Loan from HDFC Limited (refer note 16.2)	<b>1,398,600,000</b>	1,453,050,000	1,500,000,000
Less: Repayable within one year	<b>73,500,000</b>	54,450,000	46,950,000
	<b>1,325,100,000</b>	1,398,600,000	1,453,050,000
	<b>1,325,100,000</b>	1,398,600,000	3,103,050,000

**16.1** Loan against security of mutual funds (refer note - 6)

Interest Rate :- At base rate of Bank	9.35%	10.00%
Tenure : - Within 16 months from date of sanction, i.e. 31st March 2015		

**16.2 Security Clause**

The above term loan is secured by pari passu charge by way of hypothecation of entire movable properties (fixed assets) both present and future and equitable mortgage by way of deposit of title deeds of immovable properties together with buildings & structures, plant & equipment, furniture & fittings installed/to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamilnadu with IDBI Bank Ltd for the Bank Guarantee facility of Rs.5.75 crores and further, secured by way of second charge on all book debts, operating cash flows, revenues, commission and receivables both present and future, having first charge of IDBI Bank Ltd for Cash Credit facility granted to the Company. The loan from IDBI Bank Ltd is further secured by corporate guarantee of Asian Hotels (East) Limited and Term Loan from HDFC Limited is further secured by corporate guarantee of Asian Hotels (East) Limited.

**Terms of Repayment**

The loan is repayable in 42 Quarterly Instalments being:

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

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Secured			
Overdraft facility with ICICI Bank Limited (refer note 16.3)	-	72,835,905	-
Cash Credit Account with IDBI Bank (refer note 16.4)	<b>40,449,886</b>	48,107,455	49,252,790
Unsecured, repayable on demand			
Loan from other parties	<b>4,615,784</b>	4,615,784	4,615,784
	<b>45,065,670</b>	125,559,144	53,868,574

**16.3** Secured against mutual fund (refer note - 6)

Interest Rate :- At base rate of Bank	9.60%
Tenure : - One year from the date of sanction	

**16.4** The above facility is secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumable stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge in favour of HDFC Limited for Term loan granted to the Company. The above facility is further secured by a pari pasu charge by way of hypothecation of entire movable properties (fixed assets) including movable machineries, tools & accessories present and future and Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 with HDFC Ltd for the Term Loan facility and Corporate Guarantee of Asian Hotels (East) Limited.



**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

<b>17. TRADE PAYABLES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Trade payables (refer note no 44 for details of dues of micro & small enterprises)	-	-	2,482,565
	-	-	2,482,565
<b>Current</b>			
Trade payables (refer note no 44 for details of dues of micro & small enterprises)	<b>308,429,143</b>	323,629,415	311,646,315
	<b>308,429,143</b>	323,629,415	311,646,315
<b>18. OTHER FINANCIAL LIABILITIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Security deposit	<b>1,574,000</b>	2,227,500	19,85,500
	<b>1,574,000</b>	2,227,500	19,85,500
<b>Current</b>			
Current maturities of long term debt	<b>73,500,000</b>	1,373,888,354	46,950,000
Salary payable	<b>14,595,849</b>	13,186,503	16,718,983
Unpaid dividends	<b>4,414,916</b>	3,983,706	3,525,777
Expenses payable	<b>44,535,653</b>	33,250,914	31,425,012
Security deposit	<b>60,000</b>	60,000	60,000
Interest accrued and due on loan	<b>56,343</b>	28,900,819	28,595,665
Interest accrued and not due on loan	-	479,997	616,716
	<b>137,162,761</b>	1,453,750,293	127,892,153
<b>19. PROVISIONS</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Provision for gratuity (refer note 42)	<b>19,541,981</b>	14,664,351	14,999,495
Provision for leave benefits (refer note 42)	<b>6,136,345</b>	4,663,514	4,398,595
Provision for LTA	<b>2,425,174</b>	3,285,599	2,932,290
	<b>28,103,500</b>	22,613,464	22,330,380
<b>Current</b>			
Provision for gratuity (refer note 42)	<b>2,317,301</b>	5,678,070	2,596,185
Provision for leave benefits (refer note 42)	<b>843,665</b>	1,018,536	777,463
	<b>3,160,966</b>	6,696,606	3,373,648
<b>20. DEFERRED TAX LIABILITIES</b>			Amount in ₹
<b>Particulars</b>	<b>As at 31.03.2017</b>	As at 31.03.2016	As at 01.04.2015
<b>Non-current</b>			
Deferred tax liabilities			
On fiscal allowances of fixed assets	<b>174,283,094</b>	183,976,048	189,732,820
	<b>174,283,094</b>	183,976,048	189,732,820
Deferred tax assets			
On Employees' separation and retirement etc.	<b>10,668,204</b>	7,707,579	8,333,117
On Provision for doubtful debts / advances	<b>560,037</b>	1,015,651	1,016,250
MAT credit entitlement	<b>61,239,183</b>	11,205,872	6,886,345
Other timing differences	-	-	75,032
	<b>72,467,424</b>	19,929,102	16,310,744
	<b>101,815,670</b>	164,046,946	173,422,076

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**21. OTHER CURRENT LIABILITIES**

Particulars	Amount in ₹		
	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Current</b>			
Advance from customers	<b>35,022,297</b>	33,282,339	31,728,345
Statutory dues	<b>22,547,153</b>	21,147,249	21,572,056
Other payables	<b>48,186,163</b>	37,801,831	31,696,366
Stale cheque liabilities	-	-	61,904
	<b>105,755,613</b>	92,231,419	85,058,671

**22. REVENUE FROM OPERATIONS**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
<b>Sale of products</b>		
Beverages, wines and liquor	<b>142,817,312</b>	142,658,510
Food and smokes	<b>745,958,952</b>	784,791,685
	<b>888,776,264</b>	927,450,195
<b>Sale of services</b>		
Rooms	<b>834,481,142</b>	806,420,134
Banquet income (only rental portion)	<b>68,991,200</b>	61,849,648
Health & spa	<b>37,348,451</b>	34,576,007
Laundry & dry cleaning	<b>20,040,698</b>	22,689,689
Auto rental	<b>33,727,870</b>	37,953,587
Communication	<b>2,677,836</b>	3,979,426
Equipment revenue	<b>4,024,893</b>	4,046,678
Service charge	<b>26,055,016</b>	-
Other operating revenue	<b>36,006,996</b>	28,374,750
	<b>1,063,354,102</b>	999,889,919
	<b>1,95,21,30,366</b>	1,927,340,114

**23. OTHER INCOME**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Interest income from non-current investments	<b>12,345,000</b>	12,345,000
Interest income from term deposit	<b>1,197,148</b>	1,262,339
Interest income - others	<b>9,250,743</b>	11,542,614
Dividend on current investment	<b>11,542,125</b>	180,405
Net gain on foreign currency translation	<b>3,869,896</b>	-
Fair value gain on current investments *	<b>54,059,102</b>	126,507,632
Fair value gain on non-current investments	<b>6,988,887</b>	-
Profit on sale of fixed assets	-	288,984
Insurance claim received	<b>2,764,035</b>	-
Excess provision written back	<b>1,214,360</b>	12,652
Miscellaneous income	<b>2,468,211</b>	2,131,267
	<b>105,699,507</b>	154,270,893

\* It includes unrealised fair value gain of ₹29,916,633 (previous year: ₹107,536,944)

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**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

<b>24. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES &amp; OTHERS</b>		Amount in ₹	
<b>Particulars</b>	<b>Year Ended 31st March 2017</b>	<b>Year Ended 31st March 2016</b>	
Opening Stock	<b>21,573,925</b>	23,643,742	
Add : Purchases	<b>264,330,231</b>	248,776,746	
	<b>285,904,156</b>	272,420,488	
Less : Closing Stock	<b>32,053,762</b>	21,573,925	
	<b>253,850,394</b>	250,846,563	
<b>25. EMPLOYEE BENEFIT EXPENSES</b>		Amount in ₹	
<b>Particulars</b>	<b>Year Ended 31st March 2017</b>	<b>Year Ended 31st March 2016</b>	
Salaries, wages & bonus	<b>303,801,457</b>	286,275,094	
Contribution to provident & other funds	<b>21,066,026</b>	20,956,391	
Staff welfare expenses	<b>43,916,987</b>	40,361,016	
Recruitment & training	<b>5,796,290</b>	6,199,672	
	<b>374,580,760</b>	353,792,173	
<b>26. FINANCE COST</b>		Amount in ₹	
<b>Particulars</b>	<b>Year Ended 31st March 2017</b>	<b>Year Ended 31st March 2016</b>	
Interest on term loan	<b>176,649,294</b>	201,101,201	
Interest on cash credit	<b>4,423,876</b>	6,288,646	
Interest on loan against securities	<b>1,685,348</b>	154,050,946	
Interest on bank overdraft	<b>64,257</b>	1,020,010	
Interest on inter-corporate deposit	<b>3,255,616</b>	-	
Interest on others	<b>6,239</b>	6,377	
Other borrowing costs	<b>3,662,205</b>	14,197,845	
Interest on late payment of TDS	<b>102</b>	131,099	
	<b>189,746,937</b>	376,796,124	
<b>27. OTHER EXPENSES</b>		Amount in ₹	
<b>Particulars</b>	<b>Year Ended 31st March 2017</b>	<b>Year Ended 31st March 2016</b>	
Contract labour and service	<b>116,523,410</b>	114,745,566	
Room, catering & other supplies	<b>60,567,895</b>	74,666,777	
Linen & operating equipments consumption	<b>23,726,477</b>	21,055,547	
Fuel, power & light	<b>197,168,625</b>	200,816,848	
Repairs, maintenance & refurbishing	<b>114,495,889</b>	77,528,378	
Satellite & television charges	<b>459,976</b>	654,959	
Rent	<b>20,572,025</b>	18,308,262	
Rates & taxes	<b>38,664,440</b>	39,340,354	
Insurance	<b>6,116,979</b>	6,122,514	
Directors' sitting fees	<b>1,487,000</b>	1,090,000	
Legal & professional expenses	<b>17,286,418</b>	12,359,151	
Payment to auditors	<b>1,836,388</b>	1,385,810	
Printing & stationery	<b>4,730,495</b>	5,772,684	
Guest transportation	<b>23,773,829</b>	19,017,291	
Travelling & conveyance	<b>16,994,743</b>	18,179,937	
Communication expenses	<b>7,839,267</b>	9,135,462	
Technical services	<b>63,361,274</b>	60,445,859	
Advertisement & publicity	<b>74,296,824</b>	66,905,157	
Commission & brokerage	<b>70,506,035</b>	76,254,620	
CSR expenditure	<b>3,200,000</b>	5,000,000	
Charity & donation	<b>286,000</b>	2,435,626	
Bank charges and commission	<b>616,689</b>	601,831	
Filing fees	<b>4,566,776</b>	55,255	
Equipment hiring charges	<b>3,835,447</b>	2,941,919	
Provision for bad & doubtful debts	<b>1,199,223</b>	1,379,969	
Net loss on foreign currency translation	<b>-</b>	784,159	
Loss on sale of fixed assets	<b>8,298,012</b>	1,308,318	
Miscellaneous expenses	<b>8,801,847</b>	9,127,996	
	<b>891,211,983</b>	847,420,249	

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**28. EARNINGS PER SHARE (BASIC & DILUTED)**

Particulars	Amount in ₹	
	Year Ended 31st March 2017	Year Ended 31st March 2016
(i) Profit available for Equity Shareholders	<b>(34,081,202)</b>	64,351,637
(ii) Weighted average number of Equity Shares @ ₹10 each	<b>11,489,806</b>	11,440,585
(iii) Earnings/(Loss) per share (₹)	<b>(2.97)</b>	5.62

**29. FINANCIAL INSTRUMENTS**

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as on March 31, 2017 are as follows:

Particulars	Amount in ₹				
	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Investments					
In Equity Shares	-	41,360,844	104,051,579	145,412,423	145,412,423
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	664,449,739	-	664,449,739	664,449,739
In Government Securities	34,000	-	-	34,000	34,000
Loans	33,936,948	-	-	33,936,948	33,936,948
Cash & cash equivalents	72,826,924	-	-	72,826,924	72,826,924
Trade receivables	113,699,235	-	-	113,699,235	113,699,235
Other financial assets	40,852,670	-	-	40,852,670	40,852,670
<b>Total</b>	<b>411,349,777</b>	<b>705,810,583</b>	<b>104,051,579</b>	<b>1,221,211,939</b>	<b>1,221,211,939</b>
<b>Liabilities:</b>					
Borrowings	1,370,165,670	-	-	1,370,165,670	1,370,165,670
Trade payables	308,429,143	-	-	308,429,143	308,429,143
Other financial liabilities	138,736,761	-	-	138,736,761	138,736,761
<b>Total</b>	<b>1,817,331,574</b>	-	-	<b>1,817,331,574</b>	<b>1,817,331,574</b>

The carrying value and fair value of financial instruments by categories as on March 31, 2016 are as follows:

Particulars	Amount in ₹				
	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
<b>Assets:</b>					
Investments					
In Equity Shares	-	32,271,957	-	32,271,957	32,271,957
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	1,945,611,534	-	1,945,611,534	1,945,611,534
In Government Securities	34,000	-	-	34,000	34,000
Loans	640,999,494	-	-	640,999,494	640,999,494
Cash & cash equivalents	69,356,628	-	-	69,356,628	69,356,628
Trade receivables	116,131,752	-	-	116,131,752	116,131,752
Other financial assets	46,512,574	-	-	46,512,574	46,512,574
<b>Total</b>	<b>1,023,034,448</b>	<b>1,977,883,491</b>	-	<b>3,000,917,939</b>	<b>3,000,917,939</b>
<b>Liabilities:</b>					
Borrowings	1,524,159,144	-	-	1,524,159,144	1,524,159,144
Trade payables	323,629,415	-	-	323,629,415	323,629,415
Other financial liabilities	1,455,977,793	-	-	1,455,977,793	1,455,977,793
<b>Total</b>	<b>3,303,766,352</b>	-	-	<b>3,303,766,352</b>	<b>3,303,766,352</b>

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**29. FINANCIAL INSTRUMENTS (Contd.)**

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as on April 1, 2015 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in ₹
					Total Fair Value
<b>Assets:</b>					
Investments					
In Equity Shares	-	23,749,116	32,271,957	56,021,073	56,021,073
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	2,122,539,578	-	2,122,539,578	2,122,539,578
In Government Securities	34,000	-	-	34,000	34,000
Loans	643,028,341	-	-	643,028,341	643,028,341
Cash & cash equivalents	61,874,682	-	-	61,874,682	61,874,682
Trade receivables	84,084,808	-	-	84,084,808	84,084,808
Other financial assets	48,587,486	-	-	48,587,486	48,587,486
<b>Total</b>	<b>987,609,317</b>	<b>2,146,288,694</b>	<b>32,271,957</b>	<b>3,166,169,968</b>	<b>3,166,169,968</b>
<b>Liabilities:</b>					
Borrowings	3,156,918,574	-	-	3,156,918,574	3,156,918,574
Trade payables	314,128,880	-	-	314,128,880	314,128,880
Other financial liabilities	129,877,653	-	-	129,877,653	129,877,653
<b>Total</b>	<b>3,600,925,107</b>	<b>-</b>	<b>-</b>	<b>3,600,925,107</b>	<b>3,600,925,107</b>

**Fair value hierarchy**

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2017:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
In Equity Shares	145,412,423	104,051,579	41,360,844	-
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	664,449,739	664,449,739	-	-
In Government Securities	34,000	-	34,000	-
Loans	33,936,948	-	-	33,936,948
Trade receivables	113,699,235	-	-	113,699,235
Other financial assets	40,852,670	-	-	40,852,670
<b>Total</b>	<b>1,148,385,015</b>	<b>768,501,318</b>	<b>191,394,844</b>	<b>188,488,853</b>
<b>Liabilities:</b>				
Borrowings	1,370,165,670	-	-	1,370,165,670
Trade payables	308,429,143	-	-	308,429,143
Other financial liabilities	138,736,761	-	-	138,736,761
<b>Total</b>	<b>1,817,331,574</b>	<b>-</b>	<b>-</b>	<b>1,817,331,574</b>

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**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**29. FINANCIAL INSTRUMENTS (Contd.)**

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2016:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
In Equity Shares	32,271,957	-	32,271,957	-
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	1,945,611,534	1,945,611,534	-	-
In Government Securities	34,000	-	-	34,000
Loans	640,999,494	-	-	640,999,494
Trade receivables	116,131,752	-	-	116,131,752
Other financial assets	46,512,574	-	-	46,512,574
<b>Total</b>	<b>2,931,561,311</b>	<b>1,945,611,534</b>	<b>182,271,957</b>	<b>803,677,820</b>
<b>Liabilities:</b>				
Borrowings	1,524,159,144	-	-	1,524,159,144
Trade payables	323,629,415	-	-	323,629,415
Other financial liabilities	1,455,977,793	-	-	1,455,977,793
<b>Total</b>	<b>3,303,766,352</b>	-	-	<b>3,303,766,352</b>

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of April 1, 2015:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
In Equity Shares	56,021,073	23,749,116	32,271,957	-
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	2,122,539,578	2,122,539,578	-	-
In Government Securities	34,000	-	34,000	-
Loans	643,028,341	-	-	643,028,341
Trade receivables	84,084,808	-	-	84,084,808
Other financial assets	48,587,486	-	-	48,587,486
<b>Total</b>	<b>3,104,295,286</b>	<b>2,146,288,694</b>	<b>182,305,957</b>	<b>775,700,635</b>
<b>Liabilities:</b>				
Borrowings	3,156,918,574	-	-	3,156,918,574
Trade payables	314,128,880	-	-	314,128,880
Other financial liabilities	129,877,653	-	-	129,877,653
<b>Total</b>	<b>3,600,925,107</b>	-	-	<b>3,600,925,107</b>

The carrying amount of trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are close approximation of fair value.

## CONSOLIDATED FINANCIAL STATEMENTS

### Consolidated Notes to the Financial Statements for the year ended 31st March 2017

#### 30. FINANCIAL RISK MANAGEMENT

##### Financial risk factors

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

##### Market risk

The primary market risk to the Company is foreign exchange risk. The Company is exposed to foreign exchange risk through its purchases from overseas suppliers and payment for services availed in various foreign currencies. The Company pays off its foreign exchange exposure within a short period of time, thereby mitigates the risk of material changes in exchange rate on foreign currency exposure.

The following table analyses foreign currency risk from financial instruments as of 31st March 2017 and 31st March 2016.

Particulars	Amount in ₹	
	31st March 2017	31st March 2016
	U.S. dollars	U.S. dollars
Trade payables	<b>145,282,357</b>	<b>172,896,616</b>

For the year ended 31st March 2017 and 31st March 2016, the effect of every percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S.dollar on profit before tax is as under;

	Change in USD rate	Effect on profit before tax	
		31st March 2017	31st March 2016
Appreciation in exchange rate	1%	-1,452,824	-1,728,966
Depreciation on exchange rate	-1%	1,452,824	1,728,966

##### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. The Company has no outstanding bank borrowings as on 31st March 2017. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2017:

Particulars	Amount in ₹				Total
	Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings	45,065,670	95,550,000	433,950,000	795,600,000	1,370,165,670
Trade payables	308,429,143	-	-	-	308,429,143
Other financial liabilities	137,162,761	1,574,000	-	-	138,736,761

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2016:

Particulars	Amount in ₹				Total
	Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings	125,559,144	73,500,000	357,000,000	968,100,000	1,524,159,144
Trade payables	323,629,415	-	-	-	323,629,415
Other financial liabilities	1,453,750,293	2,227,500	-	-	1,455,977,793

The table below provides details regarding the contractual maturities of financial liabilities as of April 1, 2015:

Particulars	Amount in ₹				Total
	Less than 1 year	1-2 years	2-5 years	More than 5 years	
Borrowings	53,868,574	1,704,450,000	287,100,000	1,111,500,000	3,156,918,574
Trade payables	311,646,315	-	-	-	311,646,315
Other financial liabilities	127,892,153	1,985,500	-	-	129,877,653

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**Credit Risk**

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial assets to credit risk are as follow :

Particulars	31st March 2017	31st March 2016	Amount in ₹
			1st April 2015
Investments	<b>959,896,162</b>	2,127,917,491	2,328,594,651
Trade receivables	<b>113,699,235</b>	116,131,752	84,084,808
Cash & cash equivalents	<b>72,826,924</b>	69,356,628	61,874,682
Loans	<b>33,936,948</b>	640,999,494	643,028,341
Other financial assets	<b>40,852,670</b>	46,512,574	48,587,486

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with nationalised banks. Investments primarily include investments in liquid mutual fund units, fixed maturity plans, short term fund, quoted bonds and equity shares.

**31. CAPITAL MANAGEMENT**

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximisation the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order 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 includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows :

Particulars	31st March 2017	31st March 2016	Amount in ₹
			1st April 2015
Net debt	<b>1,370,838,746</b>	2,828,690,870	3,141,993,892
Total net debt and equity	<b>9,121,040,371</b>	10,815,501,745	11,092,824,730
Gearing Ratio	<b>15.03%</b>	26.15%	28.32%

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 loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any 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 2017 and 31 March 2016.

**32. C.I.F. Value of Imports :**

Particulars	31st March 2017	Amount in ₹
		31st March 2016
Stores & Spares	<b>2,005,451</b>	4,338,191
Capital Goods	<b>9,524,104</b>	4,172,844
Beverages -through canalizing agencies	<b>16,487,015</b>	16,928,304
<b>Total</b>	<b>28,016,570</b>	<b>25,439,339</b>



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**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

**33. Expenditure in Foreign Currency (on payment basis)**

Particulars	Amount in ₹	
	31st March 2017	31st March 2016
Commission & Brokerage	29,903,872	46,621,494
Management Fees	54,854,347	55,878,233
Technical Services	47,253,378	37,796,064
Advertisement & Publicity	14,248,222	14,186,383
Repairs & Maintenance	8,255,344	8,671,309
Recruitment & Training	2,987,661	2,786,467
Others	10,119,005	4,843,555
<b>Total</b>	<b>167,621,829</b>	<b>170,783,505</b>

**34. Earnings in Foreign Currency (on receipt basis)**

Particulars	Amount in ₹	
	31st March 2017	31st March 2016
Earnings	620,383,053	647,167,501

**35. The Company has paid dividend in respect of shares held by Non-Residents. The total amount remitted in this respect is given herein below:-**

Particulars	31st March 2017	31st March 2016
Number of non resident shareholders	526	554
Number of equity shares held by non resident shareholders	4,576,962	4,583,077
Amount of dividend paid	9,153,924	9,166,154
Year to which dividend relates	2015-16	2014-15

**36. As the Company is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.**

The Joint Managing Director of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

No Customer individually accounted for more than 10% of the revenue in the year ended March 31, 2017 and March 31, 2016.

**37. Estimated amount of Capital Contracts pending to be executed (net of advances NIL (previous year ₹227,700/-)) included in capital work in progress under the head fixed assets ₹362,152/- (Previous Year ₹531,300/-).**

**38. In the opinion of the Board, all the assets of the Company have a value on realization in ordinary course of business at least equal to the amount at which they are stated. Therefore, the Company has not recognised any loss on impairment in respect of any of the assets of the Company. In respect of subsidiaries, such decision is based on the audited accounts of the subsidiaries.**

**39. As per MCA notification G.S.R. 308(E) dated March 30, 2017, the details of Specified Bank Notes (SBNs) and other bank notes held and transacted during the period 08/11/2016 to 30/12/2016 is as under;**

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2,390,000	521,159	2,911,159
(+) Permitted receipts *	-	14,535,470	14,535,470
(-) Permitted payments	1,000	911,593	912,593
(-) Amount deposited in Banks	2,389,000	12,199,318	14,588,318
Closing cash in hand as on 30.12.2016	-	1,945,718	1,945,718

\* Permitted receipts includes cash withdrawn from bank.

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40. As on date, the Company holds 91,652 Equity shares of ₹10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 58.99% of the paid up capital of RCC. Apart from the above, the Company had also made an advance of ₹33,448,275 for acquiring further shares of RCC from their existing shareholders and paid advances to RCC amounting to ₹13,970,474 up to the Balance Sheet date which has been disclosed as current loans and advances.

Principal assets of Regency Convention Centre and Hotels Limited (RCC) comprise of an interest in a piece of land near CSI Airport at Mumbai. Such interest being the subject matter of dispute is pending at the High Court of Judicature at Bombay as RCC has filed Suit No. 6846 of 1999 in the High Court of Judicature at Bombay against the Airports Authority of India (AAI) & Ors. for specific performance of the agreement to lease 31,000 sq.mtrs. of land at village-Sahar, Andheri (East), Mumbai in its favour for construction of a five star hotel cum convention centre. The recording of evidence of RCC's witness and the Defendants Nos. 2 to 16 have already been concluded and closed. The suit is pending for recoding of evidence of Defendant No. 1 i.e., AAI and for final arguments. Parties have asked the Court for expediting the matter.

Regarding Agreement dated 24th July, 2015 which was entered into with Mumbai International Airport Private Limited (MIAL) by RCC for allotment of an alternate pocket of land admeasuring 9776 sq.mtrs. at CSI Airport, Mumbai to amicably settle the disputes in terms of the decision of the AAI Board, AAI did not approve the Agreement to ultimately settle the disputes when the discussion of settlement had taken place before the Court leaving RCC with no options but continue to involve in the litigation. However, RCC has resumed dialogues with the parties concerned to amicably settle the disputes as per the AAI Board's earlier decisions and presently exploring all available options. RCC is hopeful of a positive outcome of its efforts.

As per the terms of agreement with the RCC and its shareholders, the Company has to make additional payment for acquiring the balance shares of RCC, the amount of which is unascertainable and dependent on the outcome of the dispute pending in the Bombay High Court.

**41. Statutory Group Information**

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹	As % of consolidated profit and loss	₹	As % of consolidated other comprehensive income	₹	As % of consolidated total comprehensive income	₹
<b>Parent</b>								
<b>Asian Hotels (East) Limited</b>								
Balance as at 31st March 2017	114.64%	8,885,334,809	-379.51%	129,578,048	105.49%	22,790,658	-1215.27%	152,368,706
Balance as at 31st March 2016	110.66%	8,957,099,615	-199.82%	142,313,969	-22.28%	304,234	-196.48%	142,618,203
<b>Subsidiaries</b>								
<b>GJS Hotels Limited</b>								
Balance as at 31st March 2017	18.68%	1,447,903,065	-672.75%	229,700,519	-	-	-1832.05%	229,700,519
Balance as at 31st March 2016	15.05%	1,218,202,546	-296.10%	210,889,123	-	-	-290.53%	210,889,123
<b>Robust Hotels Private Limited</b>								
Balance as at 31st March 2017	41.58%	3,222,789,996	1151.82%	-393,270,373	-5.49%	-1,185,194	3146.11%	-394,455,567
Balance as at 31st March 2016	19.55%	1,582,777,171	405.45%	-288,768,791	83.22%	-1,136,596	399.38%	-289,905,387
<b>Regency Convention Centre &amp; Hotels Limited</b>								
Balance as at 31st March 2017	0.01%	456,328	0.26%	-89,396	-	-	0.71%	-89,396
Balance as at 31st March 2016	0.01%	545,724	0.12%	-82,664	-	-	0.11%	-82,664
<b>Non-controlling interest in subsidiary</b>								
Balance as at 31st March 2017	0.00%	317,123	0.18%	62,149	-	-	0.50%	-62,149
Balance as at 31st March 2016	1.33%	107,453,742	190.35%	-135,574,295	39.05%	-533,395	187.51%	-136,107,690
<b>Elimination</b>								
Balance as at 31st March 2017	-74.91%	-5,806,282,573	-	-	-	-	-	-
Balance as at 31st March 2016	-46.60%	-3,771,814,181	-	-	-	-	-	-
<b>Total</b>								
Balance as at 31st March 2017	100.00%	7,750,518,748	100.00%	-34,143,351	100.00%	21,605,464	100.00%	-12,537,887
Balance as at 31st March 2016	100.00%	8,094,264,617	100.00%	-71,222,658	100.00%	-1,365,757	100.00%	-72,588,415

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Amount in ₹

**42. Gratuity and other post-employment benefit plans**

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

a) Defined contribution plans

i. Provident fund

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:-

	<b>31st March 2017</b>	31st March 2016
Employer's Contribution to Provident Fund	<b>5,760,525</b>	6,220,627
Employer's Contribution to Pension Scheme	<b>3,243,013</b>	3,279,071

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

In accordance with Indian Accounting Standard 19, Employee Benefits, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

**Economic Assumptions**

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

**Discount Rate**

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 7.35 % p.a. compound, has been used.

**Salary Escalation Rate**

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

**i. Change in Benefit Obligations:**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	<b>31st March 2017</b>	31st March 2016	<b>31st March 2017</b>	31st March 2016
Present value of obligations as at the beginning of the year	<b>20,342,421</b>	17,595,680	<b>5,682,049</b>	5,176,058
Current service cost	<b>4,079,144</b>	3,947,318	<b>3,381,261</b>	1,974,543
Interest cost	<b>1,495,931</b>	1,312,149	<b>367,643</b>	354,379
Benefit Paid	<b>(4,384,041)</b>	(2,889,745)	<b>(3,522,867)</b>	(2,163,403)
Actuarial (gain)/ loss on obligation	<b>325,827</b>	377,019	<b>1,071,924</b>	340,472
<b>Present value of obligations as at the year end</b>	<b>21,859,282</b>	20,342,421	<b>6,980,010</b>	5,682,049
Current liability	<b>2,317,301</b>	5,678,070	<b>843,665</b>	1,018,536
Non-Current liability	<b>19,541,981</b>	14,664,351	<b>6,136,345</b>	4,663,513
<b>Total</b>	<b>21,859,282</b>	20,342,421	<b>6,980,010</b>	5,682,049

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

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	<b>31st March 2017</b>	31st March 2016	<b>31st March 2017</b>	31st March 2016
Current Service Cost	<b>4,079,144</b>	3,947,318	<b>3,381,261</b>	1,974,543
Interest Cost	<b>1,495,931</b>	1,312,149	<b>367,643</b>	354,379
Actuarial (Gain) / loss recognized during the year	-	-	<b>187,871</b>	(487,254)
Expenses recognised in Statement of Profit and Loss	<b>5,575,075</b>	5,259,467	<b>3,936,775</b>	1,841,668

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Amount in ₹

**iii. Amount recognized in Other Comprehensive Income (OCI):**

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	31st March 2017	31st March 2016	31st March 2017	31st March 2016
Actuarial Gain / (loss) recognized during the year	<b>325,827</b>	377,019	<b>884,053</b>	827,726

**iv. Principal Actuarial assumptions:**

Particulars	Refer Note below	Year ended 31st March 2017	Year ended 31st March 2016
Discount rate (p.a.)	1	7.35%	8.00%
Salary Escalation Rate (p.a.)	2	6.00%	6.75%

**Notes:**

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

**Demographic assumptions:**

- Retirement age : 58 years
- Mortality rate : Published rates under Indian Assured Lives Mortality (IALM) Ultimate table

**43. Leases:**

The Company has entered into Operating lease agreements for letting out space. The lease agreements are made for specific period as per agreement. Lease payments received recognized in the Statement of Profit & Loss for the year ended amounted to ₹ 5,074,263/-.

The future receipts for operating lease are as follows:

	31st March 2017	31st March 2016
Not Later than 1 year	<b>864,000</b>	2,240,450
Later than one year and not later than five years	<b>3,456,000</b>	3,580,800
Later than five years	<b>717,000</b>	1,694,880

The Company has entered into leave & license agreement for premises. The lease agreements are made for specific period as per agreement. Lease payments paid are recognized in the Statement of Profit & Loss for the year ended amounted to ₹20,250,000/-.

The future Payments for operating lease are as follows:

	31st March 2017	31st March 2016
Not Later than 1 year	<b>20,700,000</b>	3,000,000
Later than one year and not later than five years	<b>3,450,000</b>	-
Later than five years	-	-

**44. The disclosures relating to Micro, Small & Medium Enterprises Development Act, 2006 are as under :-**

- The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the Auditors.

- The disclosures relating to Micro and Small Enterprises are as under :-

	31st March 2017	31st March 2016	1st April 2015
The principal amount remaining unpaid to supplier as at the end of the accounting year.	<b>276,700</b>	67,728	335,420
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year.	<b>NIL</b>	NIL	NIL
The amount of interest paid in terms of Section 16 alongwith the amount of payment made to the Supplier beyond the appointed day during the year.	<b>NIL</b>	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	<b>NIL</b>	NIL	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	<b>NIL</b>	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	<b>NIL</b>	NIL	NIL

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

Amount in ₹

**45. Contingent Liabilities :**

<b>Contingent Liabilities</b>	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>	<b>1<sup>st</sup> April 2015</b>
Bank Guarantee	<b>61,332,726</b>	124,108,348	-
Claims against the Company not acknowledged as debts	<b>666,381</b>	794,480	-
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	<b>8,000,000</b>	8,000,000	8,000,000
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	<b>4,374,245</b>	4,374,245	4,374,245
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2003-04 to F.Y. 2006-07	<b>5,909,585</b>	5,909,585	5,909,585
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	<b>26,753,749</b>	26,753,749	26,753,749
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2008-09 to F.Y. 2012-13	<b>6,836,585</b>	6,836,585	13,028,999
Service Tax under the Finance Act, 1994 pertaining to period Oct-2007 to Jan-2013	<b>348,656</b>	348,656	-
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2013-14	<b>7,644,193</b>	-	-
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2012-13	<b>5,683,418</b>	-	-
Value Added Tax under West Bengal VAT Act, 2003 pertaining to F.Y. 2012-13	<b>396,345</b>	-	-
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2004-05	<b>2,180,235</b>	2,180,235	2,180,235
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 1996-97 to F.Y. 2016-17	<b>68,080</b>	-	-
Income Tax under the Income Tax Act, 1961 for the F.Y. 2009-10 (net of refund of ₹74,92,940/- for A.Y. 2013-14)	<b>163,790,695</b>	171,283,635	NIL
Income Tax under the Income Tax Act, 1961 for the F.Y. 2011-12 (the Company has preferred an appeal against the demand)*	<b>16,906,870</b>	16,906,870	16,906,870
Income Tax under the Income Tax Act, 1961 for the F.Y. 2012-13 (the Company has preferred an appeal against the demand)#	<b>12,273,270</b>	12,273,270	-
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (the Company has preferred an appeal against the demand)@	<b>12,304,560</b>	-	-
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (Net of refund of ₹ 74,77,600/- for A.Y. 2015-16)	<b>38,078,600</b>	-	-
Excise duty and penalty from Apr 12 to Oct 15 (net of payment of ₹330,424/-)	<b>4,930,507</b>	-	-
Others	<b>3,644,056</b>	3,644,056	3,644,056
<b>Commitments</b>			
Export Obligation in respect of EPCG Licenses	<b>490,661,808</b>	984,409,864	1,037,047,479

\*The Company has paid demand of ₹14,750,000/- under protest and is included in Income tax assets

# The Company has paid demand of ₹1,841,000/- under protest on 3<sup>rd</sup> May 2016.

@ The Company has paid demand of ₹1,850,000/- under protest on 18<sup>th</sup> January 2017.

**46. Payment to Auditors**

	<b>31<sup>st</sup> March 2017</b>	<b>31<sup>st</sup> March 2016</b>
Statutory Audit Fees	<b>971,500</b>	922,825
Tax Audit Fees	<b>225,000</b>	225,375
Fees for other services	<b>496,587</b>	182,610
Reimbursement of Expenses	<b>143,301</b>	55,000

**47. In accordance with the Indian Accounting Standard on " Related Party Disclosures " (Ind AS-24), the disclosures in respect of Related Parties and transactions with them are as follows: -**

**Related Party Disclosures**

**(i) List of Related Parties**

**(a) Subsidiaries :**

GJS Hotels Limited, wholly owned Subsidiary Company  
Regency Convention Centre & Hotels Limited  
Robust Hotels Private Limited (subsidiary of GJS Hotels Limited)

**(b) Key Management Personnel :**

Mr. Radhe Shyam Saraf, Chairman  
Mr. Arun Kumar Saraf, Joint Managing Director  
Mr. Umesh Saraf, Joint Managing Director  
Mr. A Srinivasan  
Mr. Varun Saraf  
Mr. Pawan Kumar Kakarania  
Mr. Soumya Saha

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

Amount in ₹

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

- |   |   |
|---|---|
| (i) Unison Hotels Private Limited             | (xi) Footsteps of Buddha Hotels Private Limited                               |
| (ii) Unison Hotels South Private Limited      | (xii) Juniper Hotels Private Limited  |
| (iii) Juniper Investments Limited             | (xiii) Samra Importex Private Limited   |
| (iv) Vedic Hotels Limited                     | (xiv) Sara International limited, Hong Kong                                   |
| (v) Nepal Travel Agency Pvt. Ltd., Nepal      | (xv) Sara Hospitality Limited, Hong Kong                                      |
| (vi) Yak & Yeti Hotels Limited, Nepal         | (xvi) Saraf Hotels Limited, Mauritius   |
| (vii) Chartered Hotels Private Limited        | (xvii) Saraf Investments Limited, Mauritius                                   |
| (viii) Chartered Hampi Hotels Private Limited | (xviii) Saraf Industries Limited, Mauritius                                   |
| (ix) Blue Energy Private Limited              | (xix) Taragaon Regency Hotels Limited, Nepal                                  |
| (x) Unison Power Limited                      | (xx) Forex Finance Private Limited<br>(Merged in to Company w.e.f 05/09/2016) |

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

Transactions during the year	Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Dividend Paid</b>						
Forex Finance Private Limited	-	-	<b>6,254,144</b>	6,254,144	<b>6,254,144</b>	6,254,144
Saraf Industries Limited	-	-	<b>7,261,260</b>	7,261,260	<b>7,261,260</b>	7,261,260
Radhe Shyam Saraf	<b>1,143,860</b>	1,143,860	-	-	<b>1,143,860</b>	1,143,860
<b>Sale of Service and Scrap Sales</b>						
Juniper Hotels Private Limited	-	-	<b>323,838</b>	639,179	<b>323,838</b>	639,179
<b>Travelling Expenses</b>						
Juniper Hotels Private Limited	-	-	<b>409,099</b>	283,894	<b>409,099</b>	283,894
Unison Hotels Private Limited	-	-	<b>270,543</b>	196,198	<b>270,543</b>	196,198
<b>Expenses incurred including reimbursement of expenses</b>						
Chartered Hampi Hotels Private Limited	-	-	-	314,902	-	314,902
Juniper Hotels Private Limited	-	-	<b>506,990</b>	1,129,238	<b>506,990</b>	1,129,238
Taragaon Regency Hotels Limited	-	-	-	242,870	-	242,870
Unison Hotels Private Limited	-	-	<b>204,331</b>	-	<b>204,331</b>	-
<b>Managerial Remuneration*</b>						
Mr. Umesh Saraf	<b>12,968,000</b>	13,350,507	-	-	<b>12,968,000</b>	13,350,507
Mr. Arun Kr. Saraf	<b>13,115,000</b>	13,462,107	-	-	<b>13,115,000</b>	13,462,107
Mr. A. Srinivasan	<b>5,602,467</b>	4,606,004	-	-	<b>5,602,467</b>	4,606,004
<b>Sitting Fees</b>						
Mr. Arun Kr. Saraf	<b>4,000</b>	-	-	-	<b>4,000</b>	-
Mr. Umesh Kr. Saraf	<b>7,000</b>	-	-	-	<b>7,000</b>	-
Mr. Varun Kr. Saraf	<b>1,000</b>	-	-	-	<b>1,000</b>	-
Mr. A. Srinivasan	<b>3,000</b>	-	-	-	<b>3,000</b>	-
Mr. Soumya Saha	<b>1,000</b>	-	-	-	<b>1,000</b>	-
Mr. Pawan Kr. Kakarania	<b>1,000</b>	-	-	-	<b>1,000</b>	-

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to the Financial Statements for the year ended 31st March 2017**

Amount in ₹

Closing Balance as on 31st March, 2017	Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Trade receivables</b>						
Juniper Hotels Private Limited	-	-	<b>557,200</b>	191,659	<b>557,200</b>	191,659
Chartered Hampi Hotels Private Limited	-	-	-	4,447	-	4,447
<b>Trade payables</b>						
Juniper Hotels Private Limited	-	-	<b>1,239,229</b>	1,329,725	<b>1,239,229</b>	1,329,725
Unison Hotels Private Limited	-	-	<b>178,821</b>	88,522	<b>178,821</b>	88,522

\* The post employment benefits of KMPs excludes gratuity which cannot be separately identified from the composite amount advised by the actuary.

- 48.** Exceptional items for the year ended 31st March 2017 represents Fixed Assets written off of WDV of ₹178.49 Lakhs arising out of physical verification of fixed assets and ₹157.74 Lakhs towards write off of capital work in progress brought forward from earlier years.
- 49.** The Scheme of Amalgamation of Forex Finance Private Limited (FFPL) with the Company became effective on 5th September 2016 with effect from the Appointed date 1st April 2012. Pursuant to the same, the Board had allotted 32,14,284 new equity shares of ₹10/- each to the eligible shareholders of FFPL at its Board Meeting held on 7th September 2016. Listing and trading of the new shares started on BSE Limited and National Stock Exchange of India Limited on 30th November 2016 and 1st December 2016 respectively.
- 50.** Pursuant to section 230 and 232 of the Companies Act, 2013, the Board of Directors of the Company (AHEL) has approved a Scheme of Arrangement on 10th February, 2017 for (1) demerger of the investment division (Demerged Undertaking) of its wholly owned subsidiary, GJS Hotels Limited (GJS) with AHEL and (2) reorganisation of the Share Capital and Debentures of its step down subsidiary, Robust Hotels Private Limited (RHPL) with effect from the Appointed Date, being close of business hours on 31st March, 2016. Consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all shares held by GJS in RHPL will stand transferred to AHEL and RHPL will become a direct wholly owned subsidiary of AHEL. The Share Capital and Debentures of RHPL will also stand reorganised pursuant to the said Scheme. The Scheme is subject to requisite statutory approvals, including sanction by the National Company Law Tribunal (NCLT) and approval of the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has already received no adverse observation letters from BSE and NSE.
- 51.** Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.

As per our report of even date

For **S. S. Kothari Mehta & Co.**  
Chartered Accountants  
Firm Registration No.: 000756N

**Neeraj Bansal**  
Partner  
Membership No.: 095960

Place : Kolkata  
Date : 25th May 2017

For and on behalf of the Board of Directors

**Arun K Saraf** (DIN: 00339772) Joint Managing Director  
**Umesh Saraf** (DIN: 00017985) Joint Managing Director  
**A. C. Chakrabortti** (DIN: 00015622) Director  
**Rama Shankar Jhavar** (DIN: 00023792) Director  
**Padam Kumar Khaitan** (DIN: 00019700) Director  
**Rita Bhimani** (DIN: 07106069) Director

**Bimal K Jhunjhunwala**  
CFO & Vice President - Corporate Finance

**Saumen Chatterjee**  
Chief Legal Officer & Company Secretary





## **ASIAN HOTELS (EAST) LIMITED**

CIN : L15122WB2007PLC162762

Registered Office : Hyatt Regency Kolkata,  
JA-1, Sector-III, Salt Lake City,  
Kolkata-700 098, West Bengal, India