ASIAN HOTELS

Asian Hotels (North) Limited

37th

Annual Report 2017-18

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shiv Kumar Jatia
Chairman and Managing Director
Lalit Bhasin
Dinesh Chandra Kothari
Pinaki Misra
Ranjan Kishore Bhattacharya
Dipendra Bharat Goenka
Amritesh Jatia
Anita Thapar
Executive Director - Administration & Corporate Co-ordination

GROUP CORPORATE FINANCE HEAD

Deepak Gupta
General Manager - Finance

CHIEF FINANCIAL OFFICER

Prakash Chandra Sharma
Vice President - Corporate Finance

COMPLIANCE OFFICER

Dinesh Kumar Jain
Vice President (Corporate Affairs) & Company Secretary

AUDITORS

Dhirubhai Shah & Co
Chartered Accountants
4th Floor, Aditya Building
Near Sardar Patel Seva Samaj
Mithakali Six Roads, Ellisbridge
Ahmedabad - 380 006

BANKERS

Axis Bank Limited
Bank of Maharashtra
DBS Bank Limited
IndusInd Bank
Punjab National Bank
Yes Bank Limited

REGISTRAR & TRANSFER AGENTS

Karvy Computershare Pvt. Ltd.
Karvy Selenium – Tower B
Plot No. 31 & 32, Financial District
Nanakramguda
Serilingampally Mandal
Hyderabad - 500 032
Tel: 91 40 67162222
Fax: 91 40 23001153
Website: www.karvycomputershare.com
E-mail: einward.ris@karvy.com

REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT

Bhikaiji Cama Place, M. G. Marg, New Delhi - 110 066
Tel: 91 11 66771225-26, Fax: 91 11 26791033
Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

CONTENTS

ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037
Registered Office: Bhikaiji Cama Place, M. G. Marg,
New Delhi – 110066
Phone: 011 66771225/26; Fax: 011 26791033
Website: www.asianhotelsnorth.com
E-mail: investorrelations@ahlnorth.com

NOTICE

Notice is hereby given that the 37th Annual General Meeting of ASIAN HOTELS (NORTH) LIMITED will be held on Tuesday, the 31st July, 2018, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi*, Bhikaiji Cama Place, M. G. Marg, New Delhi-110066 to transact the following business:

ORDINARY BUSINESS

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

   "**RESOLVED THAT** the audited Stand-alone Financial Statements of the Company for the financial year ended 31st March, 2018, including the Balance Sheet as at 31st March, 2018, and the Statement of Profit & Loss, Cash Flow Statement and Statement of Changes in Equity for the year ended as on that date, and the accompanying Notes thereto along with the Auditors' Report and Directors' Report thereon, be and are hereby received, approved and adopted.

   RESOLVED FURTHER THAT the audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018, including the Consolidated Balance Sheet as at 31st March, 2018, and the Consolidated Statement of Profit & Loss, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended as on that date, and the accompanying Notes thereto, along with the Auditors' Report thereon, be and are hereby received, approved and adopted."

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

   "**RESOLVED THAT** Mr. Dipendra Bharat Goenka (DIN: 01969285), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013."

SPECIAL BUSINESS

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

   "**RESOLVED THAT** in pursuance of Sections 196, 197, 198 and other applicable provisions including Para A of Section II of Part II of Schedule V to the Companies Act, 2013 (the Act), as amended or re-stated from time to time, read with the Articles of Association of the Company and subject to requisite approvals, the Company does hereby approve the re-appointment of Mr. Shiv Kumar Jatia (DIN: 00006187) as Managing Director of the Company for a further term of three years beginning 1st April, 2019 to 31st March, 2022, not liable to retire by rotation, on such remuneration and other terms and conditions as are detailed below, subject however to the condition that whenever in respect of a particular year the proposed remuneration is not in conformity with the aforesaid provisions, as applicable at the relevant time, the remuneration in respect of that financial year shall be restricted to the maximum payable under the said provisions:

Particulars	**Annualised Remuneration (Amount in Rupees)**		
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Salary	13464000	14808000	16284000
Perquisites			
Housing: Company's expenditure on providing accommodation (furnished or otherwise) shall not exceed 60% of Salary. Alternately, house rent allowance equivalent to 60% of the salary shall be paid	8078400	8884800	9770400
Leave Travel Assistance: First class airfare for self and family, once a year to any destination, amount not exceeding one month's basic salary	1122000	1234000	1357000
Club Fees: Fees, excluding life membership fees and expenses at clubs subject to a maximum of two clubs	1,00,000	1,00,000	1,00,000
Premium towards Group Medical/Personal Accident Insurance Policy	1,00,000	1,00,000	1,00,000
Other Benefits			
Employer's Contribution to Provident Fund @12% of the Salary, in accordance with the Company's policy.	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Gratuity shall be payable at the rate of 15 days' salary for each completed year of service in accordance with the Company's policy.			
Car with driver for use on Company's business & telephone/telefax facility at residence for business purposes only - perquisite value	39,600	39,600	39,600
Total Remuneration	**22904000**	**25166400**	**27651000**

Explanation: Family is defined as spouse and two dependent children.

*It is located near Engineers India Building on Mahatma Gandhi Marg (Ring Road) New Delhi, on the stretch between Dhaula Kuan and All India Institute of Medical Sciences. Hotel Hyatt Regency Delhi is itself a prominent land mark building. Route map is printed on page no. 143

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto, and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution and to seek and obtain requisite consents and/or approvals including approval of the Central Government, as the Board of Directors may deem fit and appropriate to give effect to the above."

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

"**RESOLVED THAT** pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), as amended or re-stated from time to time, read with Article 116 of the Articles of Association of the Company, the consent of the Company be and is hereby accorded for the payment of remuneration to the non-executive directors, i.e. directors other than the managing director(s) and/or whole-time director(s), by way of commission on profit for a period of five years with effect from 1st April, 2019, in such a manner that the aggregate of commission payable to all such non-executive directors shall not exceed 1% of the net profits of the Company computed in the manner laid down in Section 198 of the Act, and with the liberty to the Board to vary the amount or proportion payable to each one of the non-executive directors every year provided that individually none of such directors shall receive a sum exceeding Rs. 7,50,000/- (Rupees seven lac fifty thousand only) in respect of any financial year and shall be subject to deduction of tax, as applicable, and that such commission shall be exclusive of any fee payable to such directors for attending the meetings of the Board of Directors or Committees thereof, as the case may be, and reimbursement of expenses for participation in such meetings.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be required, considered necessary or incidental thereto to give effect to the aforesaid resolution, including settling any doubt or question which may arise while implementing the same."

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

"**RESOLVED THAT** in supersession of earlier resolutions passed from time to time with regard to the matters dealt herein below, and in pursuance of Section 186 of the Companies Act, 2013 (the Act), read with the Companies (Meetings of the Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Act and rules made there-under, as amended or re-stated from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any committee thereof)

i) to give loan to any person or other body corporate;

ii) give guarantee or provide security in connection with a loan to any other body corporate or person; and

iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate;

from time to time, in one or more tranches, provided that the aggregate amount of loans given, guarantees or securities provided and acquisitions so made, from time to time, including the existing loans, guarantees, security and investments at the relevant time, shall not exceed an amount of Rs. 15,00,00,00,000/- (Rupees One thousand five hundred crore) notwithstanding the fact that the aggregate of such loans, guarantees, securities and investments may exceed the limits prescribed under Section 186(2) of the Act at any given point of time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution and to seek and obtain requisite consents and/or approvals as the Board may deem fit and appropriate to give effect to the same."

By order of the Board
for **ASIAN HOTELS (NORTH) LIMITED**

Dinesh Kumar Jain
Vice-President (Corporate Affairs) &
Company Secretary
Membership No.: FCS 6224

Place: New Delhi
Date: 28th May, 2018

NOTES:

1) The Statement under Section 102 of the Companies Act, 2013 (the Act), setting out the material facts concerning the special business listed at Item Nos. 3 to 5 is enclosed and forms part of this Notice.

2) Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment/ re-appointment at the ensuing annual general meeting, viz. brief resume detailing age, qualifications, nature of expertise in specific functional areas, directorships and membership of committees held in other companies, shareholding interest in the Company and inter-se relationship amongst directors/key managerial personnel is appended (please refer page no. 9) and should be construed as a part of this Notice and the accompanying Statement under Section 102 of the Act.

3) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Admission Slip cum E-voting Advice is appended to the Annual Report 2017-18. The Proxy Form is also annexed, towards the end of the Annual Report.

4) **Pursuant to Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.**

5) **The instrument of Proxy, in order to be effective, should reach the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions or authorizations, as applicable.**

6) Corporate Members intending to send their authorized representatives under Section 113 of the Act, are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting, together with duly certified signatures of such representatives.

7) The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts and Arrangements in which Directors are interested and all documents referred to in the accompanying Notice are open for inspection in physical form by the Members at the Registered Office of the Company during business hours between 10.00 a.m. and 5.00 p.m. on all working days till the date of the ensuing annual general meeting, and also during the said meeting.

8) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 28th July, 2018 to Tuesday, the 31st July, 2018, inclusive of both days.

9) The Company keeps uploading regularly, on its website as also on the website of the Ministry of Corporate Affairs, Government of India (MCA), complete details of unpaid/unclaimed dividends from time to time. Further, in an endeavor to serve its shareholders, the Company has been notifying the shareholders about the dividends which remain unpaid/unclaimed, by sending them individual reminders from time to time.

   Any amount described under Section 125(2) of the Act, including dividend, which remains unpaid/unclaimed for a period of seven years is required to be transferred by the Company in accordance with the provisions of Section 124(5) of the Act, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, during the year under review, the unpaid/unclaimed dividend for the financial years 2008-09 and 2009-10, unpaid/unclaimed sale proceeds of fractional shares arising out of issue of fresh shares under the 'Scheme of Arrangement and Demerger' disbursed on 29th October, 2010 and unpaid/unclaimed redemption amount of preference shares arising out of the conversion of Fully Convertible Preference Shares into Equity Shares of the Company, effected on 26th December, 2010, were transferred to the IEPF.

   Further, Section 124(6) of the Act requires that all shares in respect of which dividend has been unpaid/unclaimed for a period of seven consecutive years shall also be transferred to IEPF. Accordingly, 77911 equity shares, held by 1318 beneficial owners/shareholders of the Company, in respect of which dividend for all the relevant financial period/years ended 31st March, 2010, 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 remained unpaid/unclaimed consecutively for a period of seven years up-to 28th October, 2017, were transferred to IEPF in accordance with Section 124(6) of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended or re-stated from time to time (the IEPF Rules).

   Attention of the members is therefore drawn to the fact that unpaid/unclaimed dividend pertaining to the financial year ended 31st March, 2011 is due for transfer to the IEPF, and therefore, any claim in respect thereof should be lodged as advised below:

Unpaid/Unclaimed Amount	Due date for transfer to IEPF	Date by which claim should be lodged
Dividend for the financial year ended 31st March, 2011	22.10.2018	08.10.2018

   Shareholders are advised to write to the Company or to the Registrar & Transfer Agent requesting for fresh warrants by providing details of their Folio No./Client ID, No. of shares held by them etc. enclosing a signed cancelled cheque, self attested copy of PAN and proof of address.

   Further, the members' attention is also drawn that shares in respect of which dividend remains unpaid/unclaimed for all the respective financial years ended 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 consecutively up to 22nd October, 2018, shall also be liable for transfer to IEPF, in accordance with the aforesaid provisions.

10) a) Members are requested to notify change, if any, in their e-mail ID and/or mailing address including pin code, quoting their folio number to the Registrar & Transfer Agent or the Company.

    b) Members holding shares in electronic form should notify any change in their e-mail ID, mailing address including pin code, bank details etc. directly to their respective Depository Participants.

11) Non-Resident Indian shareholders are requested to inform changes, if any, in their residential status and/or particulars of NRE Bank Account maintained in India, along with name and complete address of the Bank to the Registrar & Transfer Agent or the Company.

12) The Securities and Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever requisite bank details are available. **Members holding shares in physical form are also requested to register their mandate for transfer of future dividends as well as unclaimed/unpaid dividends through NECS so that the same may be deposited directly to the members' respective bank accounts. The proforma for registration/up-dation of NECS mandate is annexed towards the end of the Annual Report.** Further, members holding shares in electronic form should notify change in their bank account details, if any,

directly to their respective depository participants. In the absence of NECS facilities, the Company prints the bank account details, if available, on the dividend warrant to avoid any fraudulent encashment of warrants.

13) Electronic copy of Annual Report 2017-18 including the Notice of the 37th Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participants unless any member has specifically requested for a physical copy.

Despite having registered their e-mail IDs for receiving communications in electronic form, the Company shall be pleased to provide physical copies, if so requested. The members may register their request for physical copies or any other communication or grievance on the Company's e-mail ID investorrelations@ahlnorth.com

Members, who have not registered their e-mail IDs, shall be served with a physical copy of the said Annual Report through a permitted mode.

14) Annual Report 2017-18 including the Notice of the 37th Annual General Meeting is being mailed to all the members, whose names appear in the Register of Members/list of beneficial owners as furnished by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of Friday, the 22nd June, 2018.

15) Annual Report 2017-18 including the Notice of the 37th Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, is also available on the Company's website www.asianhotelsnorth.com and may be accessed or downloaded there-from. The said Notice is also uploaded on the website of Karvy, the agency providing the e-voting platform and can be accessed or downloaded from the URL:https://evoting.karvy.com

16) Members who have not registered their e-mail IDs are requested to register/update the same with their Depository Participants or the Registrar & Transfer Agent, as the case may be, to promote the green initiative and thus, help preserve the environment.

In its endeavor to provide high standard of investor services, the Company vide letter dated 9th April, 2018, addressed to members holding shares in physical form who had not yet registered their e-mail IDs and/or NECS details, requested them to update the same, providing them the facility to reply at the cost of the Company through Business Reply Envelope.

Similarly, the Company vide letter dated 11th April, 2018, addressed to members holding shares in electronic form had also advised them to register/update their e-mail IDs and/or NECS details, directly with their depository participants.

In addition to the above, and in continued compliance of Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide yet another opportunity to the members to register/update their e-mail IDs by providing the requisite details in the proforma annexed towards the end of the Annual Report.

17) a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014, and Regulation 44 of the Listing Regulations, the Company is pleased to provide to the members the facility to exercise their right to vote by electronic means in respect of the business placed at the 37th Annual General Meeting through remote e-voting platform provided by Karvy.

b) The members attending the annual general meeting who have not cast their vote through remote e-voting shall also be provided the opportunity to vote electronically at the venue.

c) The members who have cast their vote prior to the annual general meeting through remote e-voting may also attend the said meeting. However, such members shall not be entitled to cast their votes again. In case the members cast their votes through remote e-voting as well as at the annual general meeting, votes cast through remote e-voting shall only be considered valid.

18) Instructions for and other information relating to remote e-voting:

18.1 Members whose e-mail IDs are registered with the Company/Depository Participants, on receiving an e-mail from Karvy should:

i) Launch internet browser by typing the URL:https://evoting.karvy.com in the address bar and click on "Enter", where-upon the home screen will be displayed and then, click on 'Shareholders' icon.

ii) Enter the Log-in Credentials i.e., **User ID and initial password** as detailed in the e-mail forwarding this Annual Report. Your Folio No./DPID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii) After entering these details appropriately, click on "LOGIN".

iv) You will now reach password change Menu wherein you are required to compulsorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$ etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.

v) You need to log-in again with the new credentials.

vi) On successful log-in, the system will prompt you to select the "EVENT" i.e. Asian Hotels (North) Limited.

vii) On the voting page, enter the number of shares as on the cut-off date (which represents the number of votes) in respect of each of the resolutions and cast your vote by selecting "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total votes. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head, i.e. "FOR" or "AGAINST".

viii) Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x) You may then cast your vote by selecting an appropriate option and click on “Submit”.

xi) A confirmation box will then be displayed. Click “OK” to confirm, else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can log-in any number of times till they have voted on the resolutions.

xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution, Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID sankara@cacsindia.com with a copy marked to evoting@karvy.com The scanned image of the above mentioned documents should be in the naming format “Asian Hotels (North) Limited EVENT NO.________”

18.2 Members who receive physical copy of the Notice for this annual general meeting and the financial statements (particularly the members whose e-mail IDs are not registered with the Company/Depository Participants), should follow all steps mentioned at (i) to (xii) of Note No. 18.1 above using the **User ID and initial password** as mentioned on the Admission Slip cum E-voting Advice appended thereto.

18.3 Members of the Company holding shares in physical form or in dematerialized form, as at the close of business hours on the cut-off date, being Tuesday, the 24th July, 2018, shall only be entitled to vote on the proposed resolutions; and their shareholding on such date shall only be reckoned for the purposes of arriving at the results of the remote e-voting and electronic voting at the annual general meeting.

The remote e-voting period commences on Saturday, the 28th July, 2018, at 9.00 a.m. and ends on Monday, the 30th July, 2018, at 5.00 p.m. Thereafter, the remote e-voting module shall be disabled for voting. E-vote once cast, cannot be altered subsequently.

Members, who could not cast their vote through remote e-voting, shall be provided the opportunity to vote electronically at the venue, should they attend the annual general meeting.

The voting rights of the members shall be in proportion to their shares in the paid up equity share capital of the Company as at the close of business hours on the cut-off date, i.e. 24th July, 2018.

Members who may cast their vote through remote e-voting are also entitled to attend the annual general meeting but shall not be entitled to vote at the meeting. In case the members cast their votes through remote e-voting as well as electronically at the annual general meeting, votes cast through remote e-voting shall only be considered valid.

18.4 In case of any query pertaining to remote e-voting, please visit Help & FAQs section of Karvy’s website i.e. https://evoting.karvy.com or contact Karvy at Telephone No.: 1800 345 4001 (toll-free). The members may also contact the following designated officer at Karvy’s office:

Mr. Ramesh Desai, Manager-Corporate Registry
Karvy Computershare Pvt. Ltd.
Karvy Selenium – Tower B
Plot No. 31-32, Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad -500 032
Phone: +91 40 67161516; e-mail: ramesh.desai@karvy.com

18.5 The Board of Directors of the Company, at its meeting held on 28th May, 2018, has appointed Dr. S. Chandrasekaran/Mr. Shashikant Tiwari, Partners, M/s. Chandrasekaran Associates, Company Secretaries, as the Scrutinizer for conducting the remote e-voting process as well as the electronic voting at the annual general meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first unblock and determine the votes cast at the meeting, and there-after unblock the votes cast through remote e-voting, on both occasions in the presence of at least two (2) witnesses not being in the employment of the Company, and prepare not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, and submit the same to the Chairman of the Company or in his absence to Dr. Lalit Bhasin, Independent Non-Executive Director and Chairman, Audit Committee and Nomination and Remuneration Committee, as authorized by the Board, whereupon the Chairman/Dr. Bhasin shall declare the result forthwith. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the annual general meeting. Once declared, the result shall be notified to the Stock Exchanges and uploaded on the website of the Company & Karvy.

18.6 Persons who may become members of the Company from 23rd June, 2018 to 24th July, 2018, may obtain the User ID and initial password by following the instructions given below:

a) If the mobile number of the member is registered against Folio No./DPID-Client ID, the member may send SMS:

MYEPWD<space>E-Voting Event Number + Folio No. or DPID-Client ID to +91-9212993399

Example for Physical: MYEPWD<SPACE>EVENT NUMBER+XXX12345678

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

b) If e-mail address or mobile number of the member is registered against Folio No./DPID-Client ID, then on the home page of https://evoting.karvy.com, the member may click “Forgot Password” and enter Folio No./DPID-Client ID, to generate a password.

c) Member may send an e-mail request to evoting@karvy.com or call Karvy’s Toll free number 1800 345 4001.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS FORMING PART OF THE NOTICE

Item No. 3

Mr. Jatia, aged 65, is a commerce graduate and has been on the Board of the Company since its inception, joining it effective 6th December, 1980. He was appointed as Executive Director with effect from 10th April, 1981; as Joint Managing Director with effect from 24th September, 1984; and thereafter, as Managing Director, effective 25th June, 1990. He has been instrumental in the overall growth of the Company over the years.

In the 34th Annual General Meeting held on 21st September, 2015, Mr. Shiv Kumar Jatia was re-appointed as Managing Director for a further term beginning 10th April, 2016 to 31st March, 2019. Since he completes his current tenure on 31st March, 2019, it is proposed to re-appoint him for another term of three years from 1st April, 2019 to 31st March, 2022, on such remuneration and terms and conditions as are detailed in the proposed resolution at Item No. 3 of the accompanying Notice.

A detailed profile of Mr. Jatia is appended to this Notice, enumerating inter-alia the directorships held by him and the shareholding interest he holds in the Company.

Further, Statement pursuant to Clause IV of Section II of Part II of Schedule V to the Companies Act, 2013 (the Act) detailing information prescribed therein is appended and forms part of the accompanying Notice. Since, the effective date of appointment being sought is 1st April, 2019, and the relevant financial year prior to such effective date of appointment is financial year 2018-19, therefore, any eventuality of default on the part of the Company in repayment of any debt or interest thereon for a continuous period of thirty days or more during the financial year 2018-19, cannot be ascertained as of date. Certainly, so far there is no such delay since the beginning of financial year 2018-19. However, since the resolution is being moved as of date, it would be appropriate to bring it to the notice of the shareholders that there was no default in repayment of any debt or interest thereon during the financial year 2017-18.

Accordingly, a special resolution is proposed at Item No. 3 of the accompanying Notice for re-appointment and payment of remuneration to Mr. Jatia in pursuance of Sections 196, 197, 198 and other applicable provisions including Para A of Section II of Part II of Schedule V to the Act.

Except Mr. Shiv Kumar Jatia and his son, Mr. Amritesh Jatia, none of the other directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financially or otherwise in the resolution at Item No. 3 of the accompanying Notice.

Mr. Shiv Kumar Jatia directly holds 2668027 (13.72%) equity shares in the Company. However, he along with his relatives controls the other promoter entities which hold additional 11432689 (58.77%) equity shares in the Company, thus he may be deemed interested, directly or indirectly, in respect of 14100716 equity shares in the Company, equivalent to 72.49% of the equity.

Your directors are of the opinion that it will be in the Company's interest to approve the aforesaid resolution as the remuneration proposed to be paid to Mr. Jatia is commensurate with the responsibilities shouldered by him and his continued association with the Company will provide continuity of leadership given the challenges being faced by the Company, and therefore, recommend to the shareholders to approve the resolution at Item No. 3 of the accompanying Notice as a Special Resolution.

Item No. 4

The Company in the 33rd Annual General Meeting held on 30th September, 2014, had pursuant to Section 197 read with Section 198 and other applicable provisions, if any, of the Act, approved by a special resolution, the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding 1% of the net profit of the Company, for a period of five years effective 1st April, 2014.

In view of the above, it is proposed to continue with the practice of payment of remuneration by way of commission to the non-executive directors of the Company for further period of five years effective 1st April, 2019, of a sum not exceeding 1% of the net profit of the Company, calculated in accordance Section 197 read with Section 198 and other applicable provisions of the Act. This remuneration shall be distributed amongst the non-executive directors of the Company with the liberty to the Board to vary the amount or proportion payable to each one of them every year provided that individually none of such directors shall receive a sum exceeding Rs. 7,50,000/- (Rupees seven lac fifty thousand only) in respect of any financial year and shall be subject to deduction of tax, as applicable, and that such commission shall be exclusive of any fee payable to such directors for attending the meetings of the Board of Directors or Committees thereof, as the case may be, and reimbursement of expenses for participation in such meetings.

All non-executive directors (viz. Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Mr. Ranjan Kishore Bhattacharya, Mr. Pinaki Misra, Mr. Dipendra Bharat Goenka and Mr. Amritesh Jatia) may be considered directly interested and concerned in the resolution set out at Item No. 4 to the extent of the remuneration they may individually become entitled to. Further, Mr. Shiv Kumar Jatia, Chairman & Managing Director, being a relative of Mr. Amritesh Jatia may also be considered indirectly interested and concerned in the aforesaid resolution to the extent of the remuneration Mr. Amritesh Jatia may become entitled to.

None of the other key managerial personnel of the Company or their respective relatives is concerned or interested, either financially or otherwise, in the resolution at Item No. 4 of the accompanying Notice.

Your directors are of the opinion that it will be in the Company's interest to approve the aforesaid resolution as the remuneration proposed to be paid to the non-executive directors is minimal as compared to the value they bring to the Board and its decision making process, as also the responsibilities shouldered by them, and therefore, recommend to the shareholders to approve the resolution at Item No. 4 of the accompanying Notice as a Special Resolution.

Item No. 5

For the sustained growth of an organization, it is imperative that it keeps exploring newer opportunities of growth either through expansion or venturing in to new projects. In its endeavor for sustained growth, the Board of Directors of the Company is contemplating how to best utilize the additional FAR of appox. 30000 sq. meters which is available to the Company in respect of the piece of land where its hotel Hyatt Regency Delhi is situated, subject to payment of requisite charges to the authorities concerned.

Further, the Company's ultimate subsidiary, Leading Hotels Limited (Leading), is developing an all villa hotel complex and an 18 hole, 72 par championship golf course in Goa, for which it has acquired substantial parcels of land. The said project is contemplated to be under the management of Four Seasons, a world famed hotel chain and hospitality management company. Since Leading has already obtained permissions/approvals from various government authorities, and the basic structure of a one bed-room villa, which is being developed as the Experience Centre, has also been completed, the work on the said project need to accelerate. Being the ultimate holding company of Leading, your Company has to do a lot of hand holding, including assist it in arranging funds for the project and provide other logistic support.

The Board of Directors of the Company, from time to time, had sought approval of the shareholders under Section 186 of the Act or Section 372A, being the corresponding provisions, of the Companies Act, 1956, enabling the Company to make investments and to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate; and to provide security and/or to give guarantee to or in favor of any person in connection with loans to certain companies. Authorizations which are still in force, are as under:

Particulars	Amount (in crores of Rupee)
Approval vide Special Resolution at the 36th Annual General Meeting held on 10th August, 2017, for additional investments over and above the existing investments:	
a) Existing investments as on 31.03.2017	561.43
b) Approval sought for additional investments	250.00
Approval vide Special Resolution through Postal Ballot process, the result of which was declared on 11th September, 2014, enabling the Company to provide security and/or to give guarantee to or in favor of any person in connection with loans made inter-alia to Leading.	600.00
Total authorizations under Section 186 of the Act, as on date	**1411.43**

As the aforesaid authorizations are either purpose specific or borrower specific, these are limited or restrictive in its nature and scope. Since the business dynamics are ever changing, it is imperative that such authorizations provide sufficient operational flexibility to the Board of Directors of the Company. In the above backdrop, the Board of Directors have proposed a special resolution at Item No. 5 of the accompanying Notice proposing a comprehensive authorization under Section 186 of the Act which supersedes the aforesaid authorizations and provides sufficient operational flexibility to the Company. The proposed limit of Rs. 1500 crore, which includes all the investments made, securities provided and guarantees given as on date, and is irrespective of the fact that the existing investments and/or securities provided and/or guarantees given together with the investments proposed to be made, securities to be provided, guarantee/loans to be given may exceed the limits specified in Section 186(2) of the Act.

None of the directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financially or otherwise in the resolution at Item No. 5 of the accompanying Notice except to the extent of their respective shareholding in the Company and for holding the office of director/key managerial personnel therein.

Your directors are of the opinion that it will be in the Company's interest to have such approval and authorization so as to have operational flexibility, and therefore, recommend to the shareholders to approve the resolution at Item No. 5 of the accompanying Notice as a Special Resolution.

By order of the Board
for **ASIAN HOTELS (NORTH) LIMITED**

Dinesh Kumar Jain
Vice-President (Corporate Affairs) &
Company Secretary
Membership No.: FCS 6224

Place: New Delhi
Date: 28th May, 2018

Detailed Profile of Directors seeking appointment/re-appointment in the ensuing Annual General Meeting, forming part of the Notice convening the said meeting and the accompanying Statement under Section 102 of the Companies Act, 2013 (the Act), and further in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which may also be read as part of the Corporate Governance Report

Name of Director & DIN	Expertise in Specific Functional Area and other details	Other Companies in which Directorships Held
Mr. Dipendra Bharat Goenka DIN: 01969285 (refer Item No. 2 of the accompanying Notice)	Mr. Dipendra Bharat Goenka, aged 49, after graduating from the University of Southern California in 1989, started a clothing manufacturing company Modest Garments, with offices in Paris and manufacturing in Bombay. After running it successfully until 2000, he then bought an Australian trading company, Best Corporation and moved to Melbourne. In 2001, he started a global manufacturing and supply company based in Hangzhou, China called Indochine Group. Today Indochine Group has factories in China, Vietnam, Cambodia and Bangladesh, and also has sales offices in UK, USA, Germany, South Africa and Australia. Mr. Goenka is CEO of Forever New, a young ladies retail brand, which he started in the year 2006. Forever New has 290 stores across ten different countries. Mr. Goenka has rich business experience of about 28 years. Mr. Goenka was first co-opted on the Company's Board on 26th March, 2014. He retires by rotation at the ensuing annual general meeting and being eligible has offered himself for re-appointment as a director liable to retire by rotation. During the year under review, he attended one (1) Board meeting. As a non-executive director, Mr. Goenka is entitled to sitting fee for attending the meeting of the Board or Committees thereof, and commission, subject to a maximum of Rs. 5,00,000/- during any financial year, on the net profit of the Company for the relevant year in terms of Sections 197, 198, and other applicable provisions of the Act. No stock option is offered to any director or executive of the Company. Mr. Goenka does not hold any share in the Company.	He holds directorships in many overseas companies. He does not hold directorship in any Indian company except Asian Hotels (North) Limited. Further, he does not hold chairmanship/membership of any committee thereof.
Mr. Shiv Kumar Jatia DIN: 00006187 (refer Item No. 3 of the accompanying Notice)	Mr. Shiv Kumar Jatia, aged 65, is a commerce graduate and has been on the Board of the Company since its inception, joining it effective 6th December, 1980. He was appointed as Executive Director with effect from 10th April, 1981; as Joint Managing Director with effect from 24th September, 1984; and thereafter, as Managing Director, effective 25th June, 1990. He is an industrialist of high repute and has rich business experience of nearly 45 years, especially in the hospitality industry. Mr. Jatia is the Chairman & Managing Director of the Company. He is also the Managing Director of Leading Hotels Limited, a subsidiary of the Company. Mr. Shiv Kumar Jatia directly holds 2668027 (13.72%) equity shares in the Company as on 31st March, 2018. However, he along with his relatives controls the other promoter entities which hold additional 11432689 (58.77%) equity shares in the Company, thus he may be deemed interested, directly or indirectly, in respect of 14100716 equity shares in the Company, equivalent to 72.49% of the equity. Mr. Shiv Kumar Jatia is the father of Mr. Amritesh Jatia, Director. During the year under review, Mr. Jatia attended five (5) Board meetings. Remuneration and terms and conditions of Mr. Jatia's re-appointment are detailed in the proposed resolution at Item No. 3 of the accompanying Notice and remuneration paid during the year ended 31st March, 2018 is given in the accompanying statement pursuant to Section II of Part II of Schedule V to the Act.	Leading Hotels Limited Energy Infrastructure (India) Ltd. Pergo India Private Limited Rose Serviced Apartments (India) Pvt. Ltd. Hind Broadcasting Company Pvt. Ltd. Sun Media Pvt. Ltd. Smart Realtors Pvt. Ltd. Smart Tourism Pvt. Ltd. RSJ Developers Pvt. Ltd. Prudential Hotels Pvt. Ltd. Newtown Leisure Pvt. Ltd. Asian Holdings Pvt. Ltd. Eternal Healthcare Solutions Pvt. Ltd. Amazing Academics Pvt. Ltd. Mumbai Broadcasting Company Pvt. Ltd. Mr. Jatia is a member of the Audit Committee and Stakeholders' Relationship Committee of the Company. Further, he is a member of the Audit Committee of Leading Hotels Limited and chairman of the Audit Committee of Energy Infrastructure (India) Ltd.

By order of the Board
for **ASIAN HOTELS (NORTH) LIMITED**

Dinesh Kumar Jain
Vice-President (Corporate Affairs) &
Company Secretary
Membership No.: FCS 6224

Place: New Delhi
Date: 28th May, 2018

Statement pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 (the Act) detailing the information prescribed therein regarding the proposal to re-appoint Mr. Shiv Kumar Jatia and forming part of the Notice convening the ensuing Annual General Meeting and the accompanying Statement under Section 102 of the Act

<table>
<tr><td>I.</td><td colspan="4">General Information</td></tr>
<tr><td></td><td>1. Nature of industry</td><td colspan="3">Asian Hotels (North) Limited operates in the hospitality sector and owns and operates a five star deluxe hotel namely, Hyatt Regency Delhi.</td></tr>
<tr><td></td><td>2. Date or expected date of commencement of commercial production</td><td colspan="3">The only operating hotel of the Company namely Hyatt Regency Delhi became fully operational on 1st May, 1983.</td></tr>
<tr><td></td><td>3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus</td><td colspan="3">Not Applicable</td></tr>
<tr><td rowspan="9"></td><td rowspan="9">4. Financial performance based on given indicators</td><td>Financial Parameters</td><td>FY 2017-18 (Rs. in crore)</td><td>FY 2016-17 (Rs. in crore)</td></tr>
<tr><td>Revenue from Operations (Net)</td><td>274.44</td><td>251.19</td></tr>
<tr><td>Other Income</td><td>31.11</td><td>9.76</td></tr>
<tr><td>Total Income</td><td>305.55</td><td>260.95</td></tr>
<tr><td>Profit/(loss) before exceptional items and tax</td><td>(2.75)</td><td>(27.40)</td></tr>
<tr><td>Exceptional Items</td><td>0</td><td>0</td></tr>
<tr><td>Profit/(Loss) before Tax</td><td>(2.75)</td><td>(27.40)</td></tr>
<tr><td>Provision for Tax including Deferred Tax (Net)</td><td>0.33</td><td>11.79</td></tr>
<tr><td>Net Profit/(Loss)</td><td>(2.42)</td><td>(15.61)</td></tr>
<tr><td></td><td>5. Foreign investments or collaborations, if any</td><td colspan="3">As on 31st March, 2018, the following foreign entities held shares in the Company:
1. Promoter Entities
Fineline Holdings Ltd., Mauritius 4493145 (23.10%)
[Holding as on 31st March, 2017 4493145 (23.10%)]
Yans Enterprises (H.K.) Ltd., Mauritius 5336880 (27.43%)
[Holding as on 31st March, 2017 5336880 (27.43%)]
2. Non-Promoter Entity
GEG Investments Pty. Ltd., Australia 690802 (3.55%)
[Holding as on 31st March, 2017 690802 (3.55%)]</td></tr>
<tr><td>II.</td><td colspan="4">Information about the appointee</td></tr>
<tr><td></td><td>Name of the Director</td><td colspan="3">Mr. Shiv Kumar Jatia (Resolution No. 3)</td></tr>
<tr><td></td><td>1. Background details</td><td colspan="3">Mr. Jatia, aged 65, is a commerce graduate and has been on the Board of the Company since its inception, joining it effective 6th December, 1980. He was appointed as Executive Director with effect from 10th April, 1981 and later as Managing Director, effective 25th June, 1990. Mr. Jatia is an industrialist of high repute.</td></tr>
<tr><td></td><td>2. Past remuneration</td><td colspan="3">The remuneration paid for the year ended 31st March, 2018, was as under:
(In Rs.)
Salary: 1,15,20,000
HRA: 69,12,000
Employer's Contribution to Provident Fund: 13,82,400
Premium towards Group Medical Insurance: 1,08,964
Perquisite value of Car/Telephone: 39,600
Total: 1,99,62,964</td></tr>
<tr><td></td><td>3. Recognition or awards</td><td colspan="3">None</td></tr>
<tr><td></td><td>4. Job profile and his suitability</td><td colspan="3">As Managing Director, Mr. Jatia is responsible for the overall operations of the Company. He has been instrumental in the overall growth of the Company over the years. He also holds the office of managing director in the Indian Subsidiary namely Leading Hotels Limited.</td></tr>
<tr><td></td><td>5. Remuneration proposed</td><td colspan="3">Please refer Resolution No. 3 of the accompanying Notice</td></tr>
<tr><td></td><td>6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</td><td colspan="3">Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to Mr. Jatia is commensurate with the remuneration packages paid to similar senior level appointees in other companies of the same size.</td></tr>
</table>

	7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides the remuneration proposed, no other pecuniary relationship exists with the Company. He is not related to any director or key managerial personnel except Mr. Amritesh Jatia, Director.
III.	**Other Information**	
	1. Reasons of loss or inadequate profits	The hospitality industry in general has not been doing well. Increased competition from newer hotels has impacted both the occupancy levels as well as the average room rate. Over the last few years, foreign exchange fluctuation has severely impacted the operations as the Company had substantial exposure in foreign currency on account of ECBs. Further, the Company's interest burden has also had a major impact on its profitability.
	2. Steps taken or proposed to be taken for improvement	The Company is earnestly working on controlling the operational costs, re-financing its debts to reduce the interest costs and improving the overall efficiency levels for improved performance. Further, the newly opened outlets have added to the gross revenue and positively impacted the bottom line.
	3. Expected increase in productivity and profits in measurable terms	The Company is making all out efforts in increasing efficiencies and controlling costs, and such efforts have yielded results in the year under review. It is expected that these efforts should yield further results and the performance during the financial year 2018-19 should be better than the previous years.
IV.	**Disclosures**	Other relevant disclosures form part of Corporate Governance Report which is appended to the Director's Report and may be read as part of this Notice. Please refer page nos. 25-26

By order of the Board
for **ASIAN HOTELS (NORTH) LIMITED**

Dinesh Kumar Jain
Vice-President (Corporate Affairs) &
Company Secretary
Membership No.: FCS 6224

Place: New Delhi
Date: 28th May, 2018

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to submit their 37th Report together with the Audited Financial Statements for the year ended 31st March, 2018.

FINANCIAL RESULTS & THE STATE OF COMPANY'S AFFAIRS
(on stand-alone basis)

(Rupees in Crore)

Particulars	**FY 2017-18**	FY 2016-17
Revenue from Operations (Net)	**274.44**	251.19
Other Income	**31.11**	9.76
Total Income	**305.55**	260.95
Profit/(Loss) before exceptional items and tax	**(2.75)**	(27.40)
Exceptional Items	**0**	0
Profit/(Loss) before Tax	**(2.75)**	(27.40)
Provision for Tax including Deferred Tax (Net)	**0.33**	11.79
Net Profit/(Loss)	**(2.42)**	(15.61)
Earning per share - Basic & Diluted (Rs.)	**(1.24)**	(8.03)

Total revenue from operations for the financial year 2017-18 was Rs. 274.44 crore as against Rs. 251.19 crore in the prior year, an increase of 9.26% over the prior year.

Combined revenue from Food & Beverage including Wines & Liquor has registered an increase of 19.19% during the year under review, as compared to the prior year. 'House A', an elite social destination offering membership by invitation only, which was launched in March 2017, and 'The Mansion', offering premium banquet facility and a much sought after event venue in the National Capital Region has majorly contributed to this positive development.

Room revenue declined by 3.79% primarily due to lower average room rate, though the occupancy levels were also slightly lower as compared to the previous year.

During the year under review, your Company launched 'The Council', an exclusive members-only club for the captains of the industry to provide them a stimulating environment to conduct their business productively. It offers state of the art facilities for business meetings and exclusive club benefits to its members.

We are pleased to inform that Hotel Hyatt Regency Delhi has been awarded the Platinum rating for sustainability of old construction by the Leeds' Certification.

Transfer to Reserves/Dividend

In view of the loss suffered by the Company, your Directors are constrained not to recommend any dividend for the year under review.

During the year under review, amount lying to the credit of Revaluation Reserve was transferred to the Retained Earnings as per the requirements of Ind AS.

Further, no amount was transferred to the General Reserve.

Material changes and commitments affecting the financial position of the Company

Your Directors would like to inform that no material changes and commitments have occurred between the end of the financial year under review and the date of this report that may adversely affect the financial position of the Company.

Significant and Material Orders passed by the Regulators or Courts or Tribunals

During the year under review or between the end of that financial year and the date of this report, no significant or material orders were passed by the Regulators or Courts or Tribunals which may impact the going concern status and future operations of the Company.

Consolidated Financial Statements

In accordance with the provisions of Section 129 of the Companies Act, 2013 (the Act), your directors have presented the stand-alone financial statements of the Company and consolidated financial statements, comprising financials of the Company and its subsidiaries, as part of this Annual Report.

In accordance with the provisions of Section 136 of the Act, individual balance sheet, statement of profit & loss, report of Board of Directors and report of Auditors of each of the subsidiaries are open for inspection by the shareholders at the registered office of the Company, copies of which may be furnished, if desired by any shareholder.

Foreign Exchange Receipts

The Company's earnings in foreign exchange for the year under review amounted to Rs. 132.47 crore as compared to Rs. 147.89 crore during the prior year.

CAPITAL STRUCTURE

There is no change in the Company's capital structure since the last report.

During the year under review, the Company has neither issued equity shares with differential rights as to dividend, voting or otherwise, nor has it issued shares to its employees under any scheme (including sweat equity shares). The Company does not have any outstanding warrants/depository receipts/other convertible securities as on 31st March, 2018 or the date of this report.

Un-claimed Shares

In terms of Para F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the details of Un-claimed Shares are as under:

	Particulars	No. of holders whose shares are marked as un-claimed	No. of shares marked as un-claimed
A.	Status of un-claimed shares at the beginning of the year i.e. 1st April, 2017	**823**	**65395**
B.	No. of claims received by the Company during the year under review for release of shares	8	713
C.	No. of claims settled and shares released to the rightful claimants during the year under review	17*	1605*
D.	Transferred to IEPF pursuant to Section 124(6) of the Companies Act, 2013	675	37657
Balance un-claimed shares as at the end of the year i.e. 31st March, 2018 [A-(C+D)]		**131**	**26133**

* These includes 9 claims for 892 shares which were received prior to 1st April, 2017, but settled during the year under review. Further, 5 claims for 1705 shares received prior to 1st April, 2017, are still pending for want of proper supporting documents from the investors.

The aforesaid un-claimed shares are held in a separate demat account entitled "Asian Hotels (North) Limited – Un-claimed Suspense Account" maintained with Karvy Stock Broking Limited. The voting rights on these shares shall remain frozen till the shares are claimed by and released to the rightful owners.

An aggregate of 77911 equity shares, held by 1318 beneficial owners/shareholders of the Company, in respect of which dividend for all the relevant financial period/years ended 31st March, 2010, 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 remained unpaid/unclaimed consecutively for a period of seven years up-to 28th October, 2017, were transferred to Investor Education and Protection Fund in accordance with Section 124(6) of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended or re-stated from time to time.

PROMOTERS

The Company is controlled by the Jatia Group, comprising inter-alia, Mr. Shiv Kumar Jatia, Mr. Amritesh Jatia and in turn the companies controlled by them namely Fineline Holdings Ltd., Mauritius, Yans Enterprises (H.K.) Ltd., Mauritius and Asian Holdings Pvt. Ltd. Such persons directly or indirectly own and control various operating companies of the Jatia Group viz. Asian Hotels (North) Limited and Leading Hotels Limited. All the said constituents singularly and collectively, including the operating companies comprise the Jatia Group. Some of the said constituents exercise control over the Company as directors and/or shareholders.

SUBSIDIARIES

Your Company holds 100% equity as well as preference capital in Fineline Hospitality and Consultancy Pte. Ltd., Mauritius (FHCPL). FHCPL holds 80% equity stake in Lexon Hotel Ventures Ltd., Mauritius (Lexon), and Lexon in turn holds 99.76% equity stake in Leading Hotels Limited (Leading), an Indian subsidiary.

Thus, FHCPL has 79.81% economic interest in Leading.

Leading is developing an all villa hotel complex and a PGA standard 18 hole, 72 par championship golf course in Goa for which it has acquired substantial parcels of land. The said project will be under the management of Four Seasons, a world famed hotel chain and Hospitality Management Company.

Leading has already obtained permissions/approvals from various government authorities and there is no adverse legal impediment affecting the continuation of the project work. Project work had started during the year under review. In fact, the basic structure of one 'one bed-room villa' which is being developed as the Experience Centre, has been completed.

Petitions filed before the National Green Tribunal against grant of Coastal Regulation Zone and Private Forest by the competent authorities to the aforesaid project at Goa are being contested by Leading. Based on legal advice received and outcome of similar cases in the past, your directors are hopeful of a favorable outcome and do not foresee these petitions having any material impact on the progress of the project.

During the year under review, no company became a subsidiary or joint venture or associate of the Company. Similarly, no company ceased to be a subsidiary or joint venture or associate during the year under review.

Performance and financial position of the subsidiaries

For performance and financial position of individual subsidiaries, the members may refer to the Statement containing salient features of the financial statements of Company's subsidiaries in Form AOC-1 pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2015, annexed to the financial statements.

STATUTORY AUDITORS & THEIR REPORT

M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Ahmedabad (Firm Registration No.- 102511W), were appointed as the statutory auditors of the Company in the 34th Annual General Meeting to hold office from the conclusion of that meeting till the conclusion of the 39th Annual General Meeting of the Company. However, their firm's name has changed to '**M/s. Dhirubhai Shah & Co**' with effect from 5th March, 2018.

M/s. Dhirubhai Shah & Co, Chartered Accountants, have conveyed eligibility for their continued appointment to act as Statutory Auditors of the Company for the financial year 2018-19.

No frauds have been reported under Section 143(12) of the Act by the Auditors of the Company.

Internal Financial Controls over Financial Reporting

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

In the opinion of the Statutory Auditors of the Company, as expressed by them in their report dated 28th May, 2018, the Company has adequate internal control systems over financial reporting as at 31st March, 2018.

INTERNAL AUDITORS

During the year under review, M/s. S. S. Kothari Mehta & Co., Chartered Accountants, New Delhi, the internal auditors of the Company conducted periodic audits of the Company. The Audit Committee reviews the detailed Internal Audit reports submitted by the Internal Auditors and takes stock of the actions taken on the observations of and recommendations made by them.

Your Directors are confident that there are adequate internal control systems and procedures which are being followed and complied with.

SECRETARIAL AUDITORS & THEIR REPORT

M/s. Chandrasekaran Associates, Company Secretaries, the Secretarial Auditors of the Company, have submitted their report for the financial year ended 31st March, 2018 which is annexed as **Annexure 'A'** and forms part of this Report.

In compliance with Section 204 of the Act, the Company has re-appointed M/s. Chandrasekaran Associates, Company Secretaries, as Secretarial Auditors for the financial year 2018-19.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Dipendra Bharat Goenka retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment. Accordingly, an appropriate resolution is proposed at Item No. 2 of the Notice convening the ensuing annual general meeting.

Further, Mr. Shiv Kumar Jatia, who was re-appointed as Managing Director in the 34th Annual General Meeting held on 21st September, 2015, for a further term beginning 10th April, 2016 completes his current tenure on 31st March, 2019. In view of the above, and considering the recommendations of the Nomination and Remuneration Committee, the Board in its meeting held on 28th May, 2018, re-appointed him, subject however to the approval of the shareholders at the ensuing annual general meeting, for a further term of three years from 1st April, 2019 to 31st March, 2022. Accordingly, an appropriate resolution is proposed at Item No. 3 of the Notice convening the ensuing annual general meeting.

The above proposals have been duly approved and consented to by the Nomination and Remuneration Committee and the Board of Directors of the Company.

Earlier, at the 36th Annual General Meeting held during the year under review, Ms. Anita Thapar, who retired by rotation, was re-appointed as a director liable to retire by rotation; Mr. Amritesh Jatia, whose term as an Additional Director expired at the aforesaid meeting, was appointed as a director liable to retire by rotation; Mr. Ranjan Kishore Bhattacharya, who was appointed as an Additional Director in the capacity of an independent director, was appointed as an independent director to hold office for a period of five consecutive years from 5th February, 2017 to 4th February, 2022; and Ms. Anita Thapar was re-appointed as a whole-time director, liable to retire by rotation, designated as Executive Director – Administration & Corporate Co-ordination from 28th May, 2018 to 31st March, 2021.

Neither the Managing Director nor the whole-time director of the Company receives any remuneration or commission from any of the Company's subsidiaries, except sitting fee to the whole-time director.

Based on the recommendations of the Nomination and Remuneration Committee, Mr. Dinesh Kumar Jain, who superannuated on 30th September, 2017, was re-appointed by the Board of Directors of the Company for a fixed term of three years effective 1st October, 2017 designated as Vice President (Corporate Affairs) & Company Secretary and continue to act as the Compliance Officer of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134(5) OF THE COMPANIES ACT, 2013

Pursuant to Section 134(5) of the Act, your Directors confirm as under:

- that in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the loss of the Company for that year;

- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts on a going concern basis;
- that the Directors have laid down internal financial controls that are being followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Significant accounting policies followed by the Company, and the required disclosures are detailed in the Notes to the Financial Statements. Further, applicable Ind AS and related presentation and disclosure norms have been complied with.

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information required in terms of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, pertaining to the conservation of energy, technology absorption and foreign exchange earnings and outgo, to the extent possible in the opinion of your Directors, and forming part of this Report, is given in **Annexure 'B'**.

PARTICULARS OF EMPLOYEES & DISCLOSURES UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information pursuant to Section 197(12) of the Act, read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of directors, key managerial personnel and employees of the Company is given in **Annexure 'C'** and **Annexure 'D'** respectively, and forms part of this Report.

CORPORATE GOVERNANCE

Pursuant to the provisions of the Listing Regulations, the Corporate Governance Report, together with the Auditors' Certificate thereon, is annexed hereto as **Annexure 'E'** and **Annexure 'F'** respectively.

Details of various components of remuneration and other disclosures pursuant to Clause IV of Para (B) of Section II of Part II of Schedule V to the Act are given under the head 'Directors' Remuneration' on page nos. 25-26 of the Corporate Governance Report appended hereto as **Annexure 'E'**.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors, which presently comprises of four members viz. Mr. Shiv Kumar Jatia, Managing Director who chairs the Committee meetings, and Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Pinaki Misra, Independent Non-Executive Directors. The CSR policy as recommended by the CSR Committee and approved by the Board of Directors in pursuance of Section 134(3)(o) of the Act is enclosed as **Annexure 'G'**, and forms part of this Report. Further, the Annual Report on CSR activities in pursuance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, describing inter-alia the initiatives taken by the Company in implementation of its CSR Policy is enclosed as **Annexure 'H',** and forms part of this Report.

RISK MANAGEMENT

The Company's Board is conscious of the need to periodically undertake the risk assessment, and minimization procedures there-for. During the year under review, the Board in its meeting held on 27th May, 2017, had approved and adopted a 'Risk Analysis Report as of 31st March, 2017' delineating the mitigating factors in respect of various risk factors identified therein, and had noted that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

Subsequent to the year under review, the Board in its meeting held on 28th May, 2018, had also approved and adopted a 'Risk Analysis Report as of 31st March, 2018' delineating the mitigating factors in respect of various risk factors identified therein and further noted that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, five Board meetings were held, details of which are given in the Corporate Governance Report annexed to this Report as **Annexure 'E'**.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a 'Whistle Blower Policy' wherein all employees and directors of the Company are eligible to make protected disclosures to the competent authority i.e. the Chairman of the Audit Committee with respect to any improper activity concerning the Company. The policy provides for direct access to the Chairman, Audit Committee. During the year under review, neither any case was reported under the Whistle Blower Policy nor was anyone denied access to the said competent authority or the Audit Committee.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company in the prescribed Form MGT-9 is annexed to this Report as **Annexure 'I'**.

BOARD EVALUATION

The Board of Directors of the Company has in place an evaluation criteria for assessment of its own performance, that of the committees of the Board and the individual directors. The Board in its meeting held on 28th May, 2018 has discussed its overall performance on the parameters as laid down in the Nomination, Remuneration and Evaluation Policy and SEBI's Guidance Note on Board Evaluation, and concluded that the Board and its Committees have been performing efficiently. Further, based on the aforesaid policy, and the feedback received from fellow directors, the Board also evaluated the performance of the individual directors and found it satisfactory.

There was no action required to be taken during the year under review based on the previous year's observations on the Board Evaluation. Further, no action is proposed to be taken based on the observations on the Board Evaluation for the year under review.

The details of the evaluation criteria are enumerated in the Nomination, Remuneration and Evaluation Policy which is annexed as **Annexure 'J'** and forms part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

The independent non-executive directors of the Company, namely Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Mr. Pinaki Misra and Mr. Ranjan Kishore Bhattacharya have given declaration describing that they continue to conform to the criteria set out for an independent director under Section 149(6) of the Act read with the relevant regulations of the Listing Regulations, and such declarations were taken on record by the Board on 28th May, 2018, being its first meeting during the financial year 2018-19.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements or transactions entered in to by the Company during the financial year 2017-18, were in the ordinary course of business and were at an arm's length basis. During the year under review, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material in accordance with the Company's policy on materiality of related party transactions read with the provisions of the Listing Regulations. Accordingly, there are no transactions which are required to be reported in Form AOC-2 in pursuance of Section 188(1) of the Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act, as applicable, are provided in the Notes to the financial statements.

NOMINATION, REMUNERATION AND EVALUATION POLICY

The Nomination, Remuneration and Evaluation Policy as approved and adopted by the Nomination and Remuneration Committee and the Board of Directors of the Company, enumerating the criteria laid down for nomination/selection, appointment, evaluation and remuneration of the directors and key managerial personnel; and determining qualifications, positive attributes and independence of directors and/or key managerial personnel, is annexed as **Annexure 'J'** and forms part of this Report.

AUDIT COMMITTEE

During the year under review, the Committee comprised of four members namely Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, Managing Director.

The terms of reference of the Audit Committee and information on the Committee meetings held during the year under review, are detailed in the Corporate Governance Report annexed as **Annexure 'E'** and forms part of this Report.

Further, your Directors would like to inform that all the recommendations made by the Audit Committee during the year under review were duly accepted by the Board.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

DEPOSITS

During the year under review, the Company has not accepted deposits covered under Chapter V of the Act.

LISTING ON STOCK EXCHANGES

The equity shares of the Company are listed on The National Stock Exchange of India Limited and BSE Limited. Further, your Directors would like to inform that the Company has paid up to date Annual Listing Fees to the respective Stock Exchanges.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Para B of Schedule V to the Listing Regulations, the Management Discussion and Analysis Report is given below:

Industry Structure & Developments and Opportunities & Outlook

The Indian economy is expected to grow at 7.4% during the year 2018 which could increase further to 7.8% in the year 2019, according to a report by the International Monetary Fund.

The Indian hospitality sector is expected to witness high growth over the long term. Domestic travel, high disposable income and the advent of better locations are expected to drive this growth. India is expected to have 1,00,000 start-ups by the year 2025 which will not only create employment for millions of people, but also provide an impetus to business travel and related events.

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country.

The deepening penetration of internet usage and smart phones in India has led to increased booking of hotels through online portals and applications in recent times. This is also expected to significantly enlarge the size of the Indian online hotel industry in the coming years.

The hotel industry in India is significantly under-served. The entire country has just only 1,00,000 hotel rooms, which needs to be doubled if India were to meet the demand of new tourists in the coming years. And this is where the Central and the State Governments should be contributing with their policy reforms pro-actively.

Threats, Risks and Concerns

Development of new regions like Aerocity pose threat to hotels in Delhi NCR. Aerocity has managed to eat into the market share thus impacting the occupancy levels and room rates of hotels in Delhi NCR. However, no further addition in the supply of rooms in five-star segment is expected in the financial year 2018-19.

Further, it is expected that threats from substitutes like Airbnb, which has been successful in Europe and North America, will pose new challenges to the organized hotel industry.

The cost of travel and accommodation in India is often higher than the neighboring countries. Further, limited supply of hotels clubbed with higher cost of travel and accommodation in India means that an increasing number of Indians prefer to go abroad for their holidays.

Talent management is a major challenge for the hospitality sector. Inadequate supply of quality talent and increased competition for talent within the sector and from competing service sectors has made attrition a significant issue to be dealt with.

Company's strategy for sustained growth in medium to long term

For the sustained growth of an organization, it is imperative that it keeps exploring newer opportunities of growth either through expansion or venturing in to new projects. In its endeavor for sustained growth, the Board of Directors of the Company is contemplating how to best utilize the additional FAR (Floor Area Ratio) of appox. 30,000 sq. meters which is available to the Company in respect of the piece of land where its hotel Hyatt Regency Delhi is situated, subject to payment of requisite charges to the authorities concerned.

Review of Operational and Financial performance

The Company achieved aggregate revenue of Rs. 274.44 crore from operations for the year ended 31st March, 2018. The said revenue in the prior year was Rs. 251.19 crore. Detailed discussions are given under 'Financial Results & the State of Company's Affairs' herein-above.

Segment wise performance

During the year under review, your Company operated an integrated hotel business at only one location i.e. New Delhi. Power generation, the other business segment being pursued by the Company is governed by a different set of risks and returns. Your Company has two Wind Turbine Generators operating in Maharashtra, but the quantum of assets as well as revenue generated was not significant enough for reporting in terms of the applicable Accounting Standard.

Internal Control Systems including Financial Controls and their adequacy

The Company has standard operating procedures for each operational area. It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. As detailed above, the Internal Auditors have regularly conducted exhaustive audits pertaining to different operational areas and their reports detailing their findings and observations were periodically placed before the Audit Committee. The Audit Committee also takes stock of the actions taken on the observations of and recommendations made by the Internal Auditors.

The Company has in place adequate internal controls and systems including internal financial control over financial reporting.

Human Resources and Industrial Relations

An organization's success depends largely on its human resources, its management and good industrial relations. Your Company has always viewed human resource development as a critical activity for achieving its business goals.

The Company has in place a Policy against Sexual Harassment and has also formed an Internal Complaints Committee as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there was a complaint received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said complaint was addressed to the satisfaction of the complainant and reported in the annual return filed pursuant to the aforesaid Act.

The Company enjoys harmonious relationship with its employees. The Company had 743 employees on its rolls as on 31st March, 2018.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation and gratitude to the Company's valued customers, the Government of India, State Government of Delhi, and the Financial Institutions and Banks for their continued support and confidence in the Company.

Your Directors also place on record their sincere gratitude to Hyatt International for their co-operation and guidance.

Your Directors also commend the sincere efforts put in by the employees at all levels for the growth of the Company.

For and on behalf of the Board

Place: New Delhi
Dated: 28th May, 2018

Shiv Kumar Jatia
Chairman & Managing Director
DIN: 00006187

ANNEXURE 'A' FORMING PART OF THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

The Members,
Asian Hotels (North) Limited
Bhikaiji Cama Place,
M. G. Marg, New Delhi-110066

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Asian Hotels (North) 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 March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;

(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 (Share Based Employee Benefits) Regulations, 2014;Not Applicable

 (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

 (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 to the extent of securities issued;

 (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable

 (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

 1. Delhi Eating House Registration Regulation, 1980;
 2. Food Safety & Standard Act, 2006;
 3. The Food Safety and Standard Rules, 2011;and
 4. Delhi Entertainment & Betting Tax Act, 1996.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, if any 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 at a Shorter Notice for which necessary approvals obtained), 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

For Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. 1644
Certificate of Practice No.: 715

Date: 26.05.2018
Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure-A to this report and form an integral part of this report.

Annexure-A to the Report

The Members,
Asian Hotels (North) Limited
Bhikaiji Cama Place,
M. G. Marg, New Delhi-110066

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

For Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. 1644
Certificate of Practice No.: 715

Date: 26.05.2018
Place: Delhi

ANNEXURE 'B' FORMING PART OF THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

S. No.	Energy Conservation measures taken/capital investment made during the financial year 2017 – 18	Impact (Estimated savings per annum)
1.	Completed installation of a state of the art Chiller Operation Optimization System, namely 'Demand Flow' from Siemens	Rs. 200 lacs
2.	Completed installation of an Automatic Chiller Condenser Tube Cleaning System	Rs. 20 lacs
3.	Installed an advanced industrial boiler to optimize capacity utilization	Rs. 50 lacs

S. No.	Steps taken by the Company for utilizing alternate sources of energy during the financial year 2017 – 18	Status
1.	The Company has acquired an equity stake in a Hydel Power project thus qualifying as 'Captive User' in terms of the Electricity Rules, 2003, which will enable the Company to purchase power from that company at a competitive price.	The Company started receiving the power effective 20th April, 2018. It is estimated the resultant savings would be around Rs. 300 lacs p.a.

There is no further proposal for additional investments during the financial year 2018-19.

B. TECHNOLOGY ABSORPTION

In the opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014, are not applicable as hotels form part of the service industry and the Company does not have any significant manufacturing operations.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

ii) During the year under review, foreign exchange earnings amounted to Rs. 132.47 crore (Rs. 147.89 crore in the prior year) against which the outgo in foreign exchange was equivalent to Rs. 41.31 crore (Rs. 35.84 crore in the prior year).

iii) Details of foreign exchange earnings and outgo are given at Note 39 to the Financial Statements.

ANNEXURE 'C' FORMING PART OF THE DIRECTORS' REPORT

Disclosure under Section 197(12) of the Companies Act, 2013 (the Act) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2018:**

Name of the Director	Nature of Directorship	Ratio
Mr. Shiv Kumar Jatia	Chairman & Managing Director	61.8:1
Ms. Anita Thapar	Executive Director - Administration & Corporate Co-ordination	7.41:1

As the Company suffered loss, no commission is payable for the year under review. Non-executive directors were paid only the sitting fee for attending the meetings of the Board or Committees thereof. Accordingly, the calculation of required ratio, only on the basis of the sitting fee paid would not be appropriate.

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name of the Director/KMP	Office held	Increase/(Decrease) (%)
Mr. Shiv Kumar Jatia	Chairman & Managing Director	9.33
Ms. Anita Thapar	Executive Director - Administration & Corporate Co-ordination	8.26
Mr. Prakash Chandra Sharma	Chief Financial Officer	24.37
Mr. Dinesh Kumar Jain	Company Secretary	2.9*

*Excluding gratuity and leave encashment paid on superannuation

Non-executive directors are paid commission on profit as remuneration. Further, they are paid sitting fees for attending the meetings of the Board or Committees thereof. As mentioned above, due to the loss suffered by the Company, no commission is payable to any director in respect of the year under review. Hence, there is no case for increase in remuneration of any non-executive directors.

3. **The percentage increase/(decrease) in the median remuneration of employees in the financial year**: 11.86%

4. **The number of permanent employees on the rolls of Company as on 31st March, 2018:** 743

5. **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:**

Average percentage increase in salary of all employees (other than the Managing Director and Executive Director) during the year under review is **17.11%**

There was an increase in the remuneration paid to Mr. Shiv Kumar Jatia, Managing Director, by 9.33% and in the remuneration paid to Ms. Anita Thapar, Executive Director – Administration & Corporate Co-ordination, by 8.26%. They were paid the remuneration in accordance with the approvals obtained from the Central Government.

6. **Affirmation that the remuneration is as per the remuneration policy of the company:**

The remuneration paid is as per the Nomination, Remuneration and Evaluation Policy of the Company.

ANNEXURE 'D' FORMING PART OF THE DIRECTORS' REPORT

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

S. NO.	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (RS.)	QUALIFICATION	EXPERIENCE (YRS.)	DATE OF COMMENCE-MENT OF EMPLOYMENT	LAST EMPLOYMENT HELD/ DESIGNATION/ PERIOD
TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN								
1	Aseem Kapoor	50	General Manager – Hyatt Regency Delhi	2,06,29,787	Hotel Management Graduate	28	27.05.2013	General Manager, Hyatt Regency Mumbai (5 Yrs.)
2	Shiv Kumar Jatia	65	Chairman and Managing Director	1,99,62,964	B.Com	45	10.04.1981	Industrialist
3	Alessandro Sandrolini	48	Executive Sous Chef	99,10,511	Trade School Graduate	30	15.01.2016	Park Hyatt Jeddah, Executive Sous Chef (2 ½ Yrs.)
4	Ivan Gabriele	46	Executive Chef	96,46,562	Master in Hotel Management	18	10.02.2016	New World Manila Bay Hotel, Philippines, Executive Chef (1 Yr.)
5	Deepak Gupta	41	General Manager - Finance	92,78,040	B.Com (H), A.C.A.	19	01.08.2007	Wel Intertrade Private Limited, Financial Controller (7 Yrs. 8 months)
6	Dinesh Kumar Jain	58	Vice President (Corporate Affairs) & Company Secretary	66,89,620	B.Com (H), F.C.S.	39	27.06.2006/ 01.10.2017	RayBan Sun Optics India Limited, Company Secretary & Legal Manager (6 Yrs.)
7	Vipin Vasudeva	55	Vice President - Projects	57,36,793	B.E. (Civil)	32	15.01.2010	Magus Estates and Hotels Limited, Vice President - Projects (5 Yrs.)
8	Nilanjana Gupta (Employed for part of the year)	47	Director of Sales & Marketing	55,96,898	Bachelor of Bio Science	18	09.12.2013	The Oberoi Trident, Nariman Point Mumbai, Director of Sales & Marketing (3 Yrs.)
9	Prakash Chandra Sharma	55	Vice President-Corporate Finance & Chief Financial Officer	49,69,938	B. Com, F.C.A.	32	17.08.2015	Umang Realtech Pvt. Ltd., Vice President – Finance & Accounts (4 Yrs.)
10	Anil Virmani	58	Director of Finance	45,36,664	MBA Finance	33	17.06.2016	Hyatt Hotels Baku, Director – Finance (2 Yrs.)
EMPLOYED THROUGHOUT THE YEAR* AND IN RECEIPT OF REMUNERATION NOT LESS THAN RS. 102 LAC								
1	Aseem Kapoor	50	General Manager – Hyatt Regency Delhi	2,06,29,787	Hotel Management Graduate	28	27.05.2013	General Manager, Hyatt Regency Mumbai (5 Yrs.)
2	Shiv Kumar Jatia	65	Chairman and Managing Director	1,99,62,964	B.Com	45	10.04.1981	Industrialist
* There was no one employed for a part of the year and in receipt of remuneration not less than Rs. 8.50 lac per month								

Notes:

1. Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to Provident Fund, LTA, Performance incentive, Ex-gratia payment and monetary value of other perquisites, if any, on the basis of Income Tax rules. No commission is payable for the year under review to the Managing Director due to the loss incurred. Remuneration paid to Mr. Dinesh Kumar Jain includes gratuity and leave encashment on superannuation on 30th September, 2017. He was re-appointed with effect from 1st October, 2017 for a fixed term of three years.
2. Appointment of Mr. Shiv Kumar Jatia, Mr. Aseem Kapoor, Mr. Alessandro Sandrolini and Mr. Ivan Gabriele are on contractual basis. Mr. Dinesh Kumar Jain's re-appointment is also on contractual basis.
3. None of the above-named employee is a relative of any Director of the Company except Mr. Shiv Kumar Jatia who is the father of Mr. Amritesh Jatia.
4. During the year under review, Mr. Aseem Kapoor, General Manager-Hyatt Regency Delhi was paid remuneration which was in excess of the remuneration paid to the Managing Director. Mr. Kapoor, his spouse and/or dependent children do not hold any shares of the Company.

ANNEXURE 'E' FORMING PART OF THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. Further, timely and accurate disclosure of information regarding financial position, general state of affairs, ownership and governance of the company is an important part of corporate governance.

The Company is committed to good governance practices while conducting its business and endeavors to uphold the core concept of Corporate Governance. The four pillars, on which the corporate governance rests, are transparency, integrity, accountability and compliance of laws, and Asian Hotels (North) Limited, as a Company, has imbibed these principles and endeavors to follow these diligently.

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the Company's 'Corporate Governance Report' is given below:

BOARD OF DIRECTORS

In consonance with the requirements of Regulation 17 of the Listing Regulations, the Board of Directors of the Company is constituted of an appropriate mix of executive and non-executive directors on one hand, and an adequate number of independent directors from amongst the non-executive directors, on the other hand, to maintain the Board's independence, and to ensure exercising effective governance and control over its executive functioning. At the beginning of the year under review, the Board had eight directors comprising four independent non-executive directors, two non-executive promoter directors, and two executive directors – one being the Chairman & Managing Director and the other a whole-time director designated as Executive Director Administration & Corporate Co-ordination.

At the 36th Annual General Meeting held during the year under review, the following resolutions were approved and adopted relating to directorships:

- Ms. Anita Thapar, who retired by rotation, was re-appointed as a director liable to retire by rotation;
- Mr. Amritesh Jatia, whose term as an Additional Director expired at the aforesaid meeting, was appointed as a director liable to retire by rotation;
- Mr. Ranjan Kishore Bhattacharya, who was appointed as an Additional Director in the capacity of an independent director and subject to the approval of the shareholders in the aforesaid meeting, was appointed as an independent director to hold office for a period of five consecutive years from 5th February, 2017 to 4th February, 2022; and
- Ms. Anita Thapar was re-appointed as a whole-time director, liable to retire by rotation, designated as Executive Director – Administration & Corporate Co-ordination from 28th May, 2018 to 31st March, 2021.

Accordingly, during the year under review, there has been no change in the composition of the Board of Directors. Further, the Board's constitution was in compliance with the provisions of the Companies Act, 2013 (the Act) and the Listing Regulations through-out the year under review.

The Company follows the prescribed Board procedures and furnishes detailed notes in advance on the businesses to be dealt with at the Board Meetings in terms of Regulation 17 of the Listing Regulations. The Board has been meeting regularly ensuring that the gap between two consecutive meetings does not exceed one hundred and twenty days. The Company was generally in compliance with the requirements of Regulation 17 of the Listing Regulations, as applicable at the relevant time.

During the year under review, five Board meetings were held respectively on 27th May, 2017, 10th August, 2017, 8th October, 2017, 6th November, 2017 and 31st January, 2018.

Pursuant to the provisions of Para C of Schedule V to the Listing Regulations, the relevant information including the composition of the Board, details of directorships held, committee memberships/chairmanships held, and the attendance of the directors at the Board meetings and the previous Annual General Meeting (AGM) held during the year under review are given below:

S. No.	Name of the Director@	Category	Board meetings attended vis-à-vis meetings held during their respective tenure including the meeting in which appointed	Last AGM attended: 10th August, 2017	No. of Director-ships held in private companies ^	No. of Director-ships held in public companies^	No. of Committee memberships in public companies ^ #	No. of Chairman-ship in such Committees ^ #
1.	Mr. Shiv Kumar Jatia	Executive [Chairman & Managing Director] & Promoter Director	5 of 5	YES	13	3	4	1
2.	Dr. Lalit Bhasin	Independent Non-Executive Director	5 of 5	YES	0	10	6	4

3.	Mr. Dinesh Chandra Kothari	Independent Non-Executive Director	1 of 5	NO	4	4	5	1
4.	Mr. Pinaki Misra	Independent Non – Executive Director	4 of 5	NO	4	3	1	0
5.	Mr. Ranjan Kishore Bhattacharya	Independent Non – Executive Director	5 of 5	YES	7	1	1	0
6.	Mr. Dipendra Bharat Goenka	Non – Executive & Promoter Director	1 of 5	NO	0	1	0	0
7.	Mr. Amritesh Jatia	Non – Executive & Promoter Director	3 of 5	NO	1	3	1	0
8.	Ms. Anita Thapar	Executive Director – Administration & Corporate Co-ordination	5 of 5	YES	3	5	1	0

@ Inter-se relationship of directors: Mr. Amritesh Jatia is son of Mr. Shiv Kumar Jatia.

^ Reflects status as per the latest declarations received from the directors for the FY 2018-19. Includes directorship/membership/chairmanship of the Board/ Committees of Asian Hotels (North) Limited, and excludes foreign bodies corporate. Further, directorships in Section 8 companies have been ignored.

#Only membership and/or chairmanship of Audit Committee and Stakeholders' Relationship Committee in public limited companies have been taken for this purpose. Wherever the director is a chairman of a Committee, it is also reflected in the count for membership of Committees.

None of the independent non-executive directors is serving as an independent director in more than seven listed companies. Further, none of the directors of the Company holding the position of a whole-time director in any listed company is serving as an independent director in more than three listed companies.

COMMITTEES OF DIRECTORS

Apart from committees for different operational purposes, the Company's Board has the following Committees constituted in pursuance of various provisions of the Act and the Listing Regulations.

a) Audit Committee:

At the commencement of the year under review, the Committee comprised of four members namely Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, Managing Director. During the year under review, there has been no change in the composition of the Audit Committee.

The Chief Financial Officer of the Company and the Audit Partner/representative(s) of the Statutory Auditors are the permanent special invitees to the committee meetings unless otherwise decided by the Committee. The terms of reference of the Committee, its role, responsibilities, powers, and terms of reference are in consonance with the provisions of Section 177 and other applicable provisions of the Act read with Regulation 18 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time, and that its business and meetings are conducted in terms of the above-referred provisions. The quorum requires presence of at least two members who are independent non-executive directors.

Dr. Bhasin, an eminent lawyer, is the Chairman of the Audit Committee. He is chairman/member of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of several listed and un-listed companies. Mr. Kothari is a Chartered Accountant and has rich experience in financial restructuring. Mr. Kothari is member of Audit Committee of some prominent listed companies. Mr. Ranjan Kishore Bhattacharya is a graduate in economics and holds a post graduate diploma in Hotel Management. Mr. Bhattacharya has vast experience in the hospitality industry. Mr. Shiv Kumar Jatia, Chairman & Managing Director of the Company is an industrialist of high repute and has rich business experience in managing many private as well as listed companies.

The Company Secretary continues to act as secretary to the Committee.

During the year under review, four meetings of the Committee were held respectively on 27th May, 2017, 10th August, 2017, 6th November, 2017 and 31st January, 2018. The attendance of the member directors at the Audit Committee meetings is as under:

Name of the Director	***Category***	***No. of Meetings Attended***
Dr. Lalit Bhasin	Independent Non-Executive	4 of 4
Mr. Dinesh Chandra Kothari	Independent Non-Executive	1 of 4
Mr. Ranjan Kishore Bhattacharya	Independent Non-Executive	4 of 4
Mr. Shiv Kumar Jatia	Executive & Promoter Director	4 of 4

b) Stakeholders' Relationship Committee:

The role, responsibilities, powers and terms of reference of the Stakeholders' Relationship Committee are as defined in, and in conformity with the provisions of Section 178 and other applicable provisions of the Act read with Regulation 20 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time.

At the commencement of the year under review, the Committee comprised of five members namely Mr. Dinesh Chandra Kothari, Mr. Pinaki Misra, Mr. Shiv Kumar Jatia, Mr. Amritesh Jatia and Ms. Anita Thapar. Mr. Dinesh Chandra Kothari continues to act as the chairman of the Committee. The Committee meets once every quarter and the quorum requires presence of at least two members, including an independent non-executive director. During the year under review, there has been no change in the composition of the Committee.

The Committee's primary responsibility is to supervise redressal of shareholders' grievances. It acts as a catalyst for matters concerning shareholders and is quite proactive in its approach. The Company received 40 complaints during the year, which were appropriately resolved and/or replied to. None of the investor complaints is lying unresolved or unattended at the year end.

Mr. Dinesh Kumar Jain, Vice President (Corporate Affairs) & Company Secretary is the Compliance Officer of the Company and acts as secretary to the Committee.

During the year under review, four meetings of the Committee were held respectively on 27th May, 2017, 10th August, 2017, 6th November, 2017 and 31st January, 2018.

The attendance of the member directors at the Stakeholders' Relationship Committee meetings is as under:

Name of the Director	*Category*	*No. of Meetings Attended*
Mr. Dinesh Chandra Kothari	Independent Non-Executive	1 of 4
Mr. Pinaki Misra	Independent Non-Executive	4 of 4
Mr. Shiv Kumar Jatia	Executive & Promoter Director	4 of 4
Mr. Amritesh Jatia	Non-executive & Promoter Director	3 of 4
Ms. Anita Thapar	Executive Director	4 of 4

c) Nomination and Remuneration Committee:

The role, responsibilities, powers and terms of reference of the Nomination and Remuneration Committee are defined in, and in conformity with the provisions of Section 178 and other applicable provisions of the Act read with Regulation 19 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time.

At the commencement of the year under review, the Committee comprised of three independent non-executive directors, viz. Dr. Lalit Bhasin, as chairman of the Committee, and Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya as its members. Any two members form the quorum. The Company Secretary acts as the secretary to the Committee. During the year under review, there has been no change in the composition of the Committee.

During the year under review, two meetings of the Committee were held respectively on 27th May, 2017 and 10th August, 2017. The attendance of the member directors at the Nomination and Remuneration Committee meetings is as under:

Name of the Director	*Category*	*No. of Meetings Attended*
Dr. Lalit Bhasin	Independent Non-Executive	2 of 2
Mr. Dinesh Chandra Kothari	Independent Non-Executive	1 of 2
Mr. Ranjan Kishore Bhattacharya	Independent Non-Executive	2 of 2

The criteria for performance evaluation of the independent directors is detailed in the Nomination, Remuneration and Evaluation Policy of the Company which is adopted by the Board of Directors in due compliance of Section 178 of the Act read with rules framed there-under and relevant provisions of the Listing Regulations. The said policy is appended as Annexure 'J' to the Directors' Report.

d) Corporate Social Responsibility (CSR) Committee:

At the commencement of the year under review, the CSR Committee, constituted under Section 135 of the Act, comprised Mr. Shiv Kumar Jatia, Managing Director, who chairs the Committee meetings, and Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Pinaki Misra, Independent Non-executive Directors. The role, responsibilities, powers and terms of reference of the Committee are in consonance with Section 135 of the Act and the rules made there-under. Quorum for the Committee meetings is two members.

The Company's CSR Policy covers all permitted activities under Schedule VII to the Act. The Committee is entrusted with the task of ascertaining the amount which the Company is supposed to spend on CSR activities during a particular year in pursuance of Section 135(5) of the Act and recommend how and through which institutions, the permitted activities should be undertaken, and to allocate the amount of expenditure to be incurred on each of such activities. Further, the Committee monitors the progress of the designated projects and ensures that the funds allocated are appropriately utilized for the designated projects/activities.

The Committee has also formulated a CSR policy and the same has been uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/CorporateSocialResponsibilityPolicy.pdf

During the year under review, only one meeting of the Committee was held on 27th May, 2017, which was attended by all the members except Mr. Pinaki Misra.

DIRECTORS' REMUNERATION

The remuneration package of the whole-time directors comprises a fixed component in the form of salary, perquisites and allowances, and in case of adequacy of profit, may include on case to case basis, a variable component of commission on profit.

Non-executive directors, i.e. directors other than the managing director/whole-time director are entitled to remuneration by way of commission on profit for a period of five years with effect from 1st April, 2014, in such a manner that the aggregate of commission payable to all such non-executive directors does not exceed 1% of the net profit of the Company computed in terms of Section 198 of the Act, with the liberty to the Board to vary the amount or proportion payable to each one of the non-executive directors every year provided that individually none of such directors receives a sum exceeding Rs. 5,00,000/- in respect of any financial year. In addition to the above, non-executive directors are entitled to sitting fees for the meetings of the Board and the Committees thereof attended by them. However, in view of the loss suffered by the Company in respect of the year under review, no commission could be provided/paid to the non-executive directors.

No stock option was offered to the directors or employees of the Company. In fact, the remuneration structure of executive as well as non-executive directors, as detailed above, does not provide for stock options. The notice period and severance fee are governed by the terms and conditions described in the respective resolutions and the Company policy in respect thereof.

Details of remuneration and sitting fees paid/payable to the directors for the year under review are given below:

REMUNERATION & SITTING FEES (In Rs.)				
Name of Director	***Salary & Perks***	***Commission***	***Sitting Fees^***	***Total***
Mr. Shiv Kumar Jatia*	1,99,62,964	0	0	1,99,62,964
Dr. Lalit Bhasin	0	0	6,80,000	6,80,000
Mr. Dinesh Chandra Kothari	0	0	2,00,000	2,00,000
Mr. Pinaki Misra	0	0	3,20,000	3,20,000
Mr. Ranjan Kishore Bhattacharya	0	0	4,80,000	4,80,000
Mr. Amritesh Jatia	0	0	0	0
Mr. Dipendra Bharat Goenka	0	0	0	0
Ms. Anita Thapar#	23,93,766	0	0	23,93,766
Grand Total	**2,23,56,730**	**0**	**16,80,000**	**2,40,36,730**

*Current tenure is from 10th April, 2016 to 31st March, 2019; proposed to be re-appointed for another term of three years in the ensuing annual general meeting

Current tenure is from 28th May, 2015 to 27th May, 2018; was re-appointed in the previous annual general meeting for another term beginning 28th May, 2018 to 31st March, 2021

^Excluding Service Tax/GST, as applicable

OTHER BOARD RELATED DISCLOSURES

Exclusive Meeting of the Independent Directors of the Company

During the year under review, an exclusive meeting of the independent directors was held on 27th May, 2017, inter-alia to review the performance of directors other than independent directors, and the Board as a whole; to review the performance of the chairperson of the Company; and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board. Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya attended the said meeting.

Familiarization Programme for Independent Directors

The Company, in pursuance of Regulation 25(7) of the Listing Regulations, has in place a Familiarization Programme for its independent directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. Such Policy on Familiarisation Programme has been uploaded on the website of the Company and can be accessed at
http://www.asianhotelsnorth.com/pdf/PolicyonFamiliarisationProgrammeforIndependentDirectors.pdf

During the year under review, a Familiarization Programme was conducted for the benefit of the independent directors on 27th May, 2017. The said Programme was attended by Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya. The details of such Familiarisation Programmes have been uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/Details%20of%20Familiarisation%20Programme%20Conducted.pdf

As mandated, the Company has issued formal letters of appointment to its independent directors. General terms and conditions of appointment of independent directors are available on the website of the Company and can be accessed at
http://www.asianhotelsnorth.com/pdf/TermsConditionsofAppointmentofIndependentDirectors.pdf

Shareholding of Non-Executive Directors

As on 31st March, 2018, none of the non-executive directors held any equity share in the Company.

GENERAL BODY MEETINGS

Financial Year	*Nature of Meeting*	*Venue*	*Date*	*Time*
2014-15	AGM*	Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi-110066	21.09.2015	11.30 a.m.
2015-16	AGM#	-do-	29.09.2016	11.30 a.m.
2016-17	AGM^	-do-	10.08.2017	11.30 a.m.

* Following six businesses were placed before, and were approved by the shareholders as special resolutions, and none of these resolutions was required to be put through a postal ballot:

1. Adoption of a new set of Articles of Association of the Company;
2. Appointment of Ms. Anita Thapar (DIN: 02171074) as a whole-time director designated as Executive Director- Administration & Corporate Co-ordination for a term of three years;
3. Waiver of recovery of excess remuneration of a sum of Rs. 61,72,454/-, paid to the Managing Director for the financial year 2013-14;
4. Waiver of recovery of excess remuneration of a sum of Rs. 20,63,622/-, paid to the Managing Director for the financial year 2014-15;
5. Approval of payment of remuneration to the Managing Director for the financial year 2015-16 aggregating to Rs. 1,71,91,482/-; and
6. Re-appointment of Mr. Shiv Kumar Jatia (DIN: 00006187) as Managing Director of the Company from 10th April, 2016 to 31st March, 2019.

A special resolution was placed before, and was approved by the shareholders, to adopt the re-stated Articles of Association in substitution of the existing Articles of Association of the Company. This resolution was not required to be put through a postal ballot.

^ A special resolution in pursuance of Section 186 of the Companies Act, 2013 was placed before, and was approved by the shareholders authorizing further investments by acquiring securities by way of subscription, purchase or otherwise, as and when required, up to a sum not exceeding Rs. 250 crore over and above the existing investments of the Company. This resolution was not required to be put through a postal ballot.

During the year under review, no special resolution was passed through postal ballot. However, the business proposed at Item No. 5 of the accompanying Notice is required to be dealt with through a postal ballot process but it is intended to be transacted at the ensuing annual general meeting as the Company is providing the facility of voting by electronic means which includes remote e-voting as well as instant electronic voting at that meeting in compliance of proviso to sub-section (1) of Section 110 of the Act.

SUBSIDIARY COMPANIES

The Company holds 100% equity as well as preference capital in Fineline Hospitality & Consultancy Pte. Ltd., Mauritius (FHCPL). FHCPL holds 80% equity stake in Lexon Hotel Ventures Ltd., Mauritius (Lexon), and Lexon in turn holds 99.76% equity stake in Leading Hotels Limited (Leading), an Indian subsidiary. Thus FHCPL has 79.81% economic interest in Leading.

The Audit Committee of the Company reviews financials of its subsidiaries, especially the significant transactions and arrangements including investments made by the subsidiaries, while considering the consolidated accounts. Minutes of the Board meetings of the subsidiaries are placed and taken note of by the Board of the Company.

MATERIAL DISCLOSURES

Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct, namely 'AHNL Code of Conduct', applicable to all the Board Members and Senior Management Personnel and the same has been uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/CodeofConduct.pdf All concerned have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Chairman & Managing Director of the Company is annexed to this report.

Conflict of Interest

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

Independence of Directors

During the year under review, all independent non-executive directors have confirmed and submitted declaration to the effect that they meet the criteria of independence as laid down under Section 149 and other applicable provisions of the Act read with relevant regulations of the Listing Regulations. Reliance was placed on these confirmations/declarations while ascertaining the adequacy of number of independent directors for the purposes of compliance with Regulation 17 and other applicable regulations of the Listing Regulations.

Related Party Transactions

The Board of Directors of the Company has approved and adopted a 'Policy for Related Party Transactions' and the same has been uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/PolicyforRelatedPartyTransactions.pdf

There were no materially significant related party transactions that may have had potential conflict with the interest of the Company at large. Details of related party transactions i.e. transactions of the Company with its promoters, directors, key managerial personnel or their relatives and subsidiaries of the Company are detailed under Note 41 to the Stand-alone Financial Statements. The Board certifies that these transactions are in the ordinary course of business, and are on an arm's length basis. These transactions have been approved by the Audit Committee and the Board of Directors from time to time.

Policy for Determining Material Subsidiaries

The Board of Directors of the Company has in place a 'Policy for Determining Material Subsidiaries' in pursuance of Regulation 16(1)(c) of the Listing Regulations. This Policy has been uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/PolicyforDeterminingMaterialSubsidiaries.pdf

Legal Compliances

Timely compliance of multifarious and complex regulatory framework is always a challenge. Compliance status of all applicable laws is reviewed by the Board on quarterly basis. In the opinion of your Directors, there has been no significant non-compliance by the Company during the last three years in general, more-so in terms of Para C(10)(b) and Para C(13) of Schedule V to the Listing Regulations.

Risk Assessment and Minimization Procedures

The Company's Board is conscious of the need to periodically undertake the risk assessment, and minimization procedures there-for. During the year under review, the Board in its meeting held on 27th May, 2017, had approved and adopted a 'Risk Analysis Report as of 31st March, 2017' delineating the mitigating factors in respect of various risk factors identified therein and further noted that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

Subsequent to the year under review, the Board in its meeting held on 28th May, 2018, had approved and adopted a 'Risk Analysis Report as of 31st March, 2018' as well. The said report outlined the mitigating factors in respect of various risk factors identified therein. This enabled the Board to assess that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

However, the provisions relating to the formation of a Risk Management Committee are not applicable to the Company.

Whistle Blower Policy/Vigil Mechanism

The Board of Directors has in place a 'Whistle Blower Policy' wherein all employees and directors of the Company are eligible to make protected disclosures to the competent authority i.e. the Chairman of the Audit Committee with respect to any improper activity concerning the Company. The policy provides for direct access to the Chairman, Audit Committee. During the year under review, neither any case was reported under the Whistle Blower Policy nor was anyone denied access to the said competent authority or the Audit Committee.

The details of establishment of the above vigil mechanism forms part of the Directors' Report. The 'Whistle Blower Policy' is uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/WhistleBlowerPolicy.pdf

Code on Insider Trading/Fair Disclosures

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors has approved and adopted a code of conduct for prohibition of insider trading, namely 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders'. The said Code inter-alia prohibits dealing in securities of the Company by specified persons who are in possession of unpublished price sensitive information in relation to the Company. The said Code lays down the procedures to be followed, and disclosures to be made while dealing in the securities of the Company. The Company Secretary monitors the implementation and compliance of the same.

'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', which forms part of the aforesaid Code, is uploaded on the website of the Company and can be accessed at http://www.asianhotelsnorth.com/pdf/CodeofFairDisclosure.pdf

Disclosure on Accounting Treatment/Accounting Policies

There has been no change in the accounting policies and practices save as detailed in Notes to the Financial Statements. Further, there is no accounting matter/transaction wherein a treatment different from that prescribed in the extant Accounting Standards has been followed while preparing the financial statements for the year under review.

Disclosure on Foreign Exchange Risk/Hedging Activities

Details of derivative contract entered with DBS Bank Limited and Yes Bank Limited prior to the commencement of the year under review in respect of the External Commercial Borrowings availed by the Company from DBS Bank Limited but effective for and covering the financial year 2017-18 are as under:

Name of the Bank with which the contract is entered	Nature of Contract	Particulars	Currency	Contract value as on 01.04.2017/ Contract date	Outstanding contract value as on 31.03.2018
DBS Bank Limited	LIBOR Fixed	USD Interest Rate Swap	USD	4350000	0
Yes Bank Limited	LIBOR Fixed	USD Interest Rate Swap	USD	10000000	0
Yes Bank Limited	LIBOR Fixed	USD Interest Rate Swap	USD	10000000	0

However, there was no derivative contract to buy USD either at the beginning of the year or during the year or as at the end of the year.

Details of un-hedged foreign currency exposure of the Company are detailed under Note 40 to the Stand-alone Financial Statements.

CEO/CFO Certification

A certificate, in accordance with the requirements of Regulation 17(8) read with Part B of Schedule II to the Listing Regulations, duly signed by the Chairman & Managing Director and Vice President – Corporate Finance (being the Chief Financial Officer), in respect of the financial statements for the year under review was placed before the Board and was taken on record.

SHAREHOLDERS' INFORMATION

Profile of Directors seeking appointment/re-appointment

Detailed profile of Directors seeking appointment/re-appointment in compliance with Regulation 36(3) of the Listing Regulations is given on page no. 9, as part of Notice convening the forthcoming annual general meeting and the accompanying Statement under Section 102 of the Act.

Means of Communication

Presently, the quarterly financial results are published in the Business Standard (English and Hindi). All official declarations, notices or news releases are first forwarded to the Stock Exchanges and, if considered necessary, subsequently released to the media. Further, all periodic statutory reports including the quarterly financial results and other official news releases are uploaded on the Company's official website www.asianhotelsnorth.com

Annual General Meeting

Day, Date & Time: Tuesday, the 31st July, 2018 at 11:30 a.m.

Venue: Regency Ball Room
Hyatt Regency Delhi
Bhikaiji Cama Place, M.G. Marg
New Delhi – 110 066

Financial Year/Calendar

The Company follows 1st April to 31st March as its financial year.

The calendar for the current financial year 2018-19 is proposed as under:

Financial Reporting for the quarter ending 30th June, 2018	On 31st July, 2018
Financial Reporting for the half year ending 30th September, 2018	On or before 14th November, 2018
Financial Reporting for the third quarter ending 31st December, 2018	On or before 14th February, 2019
Financial Reporting for the year ending 31st March, 2019	On or before 30th May, 2019

Book Closure	**From Saturday, the 28th July, 2018 to Tuesday, the 31st July, 2018 (inclusive of both days)**

Dividend Payment Date No dividend is proposed for the year under review.

Listing on Stock Exchanges **BSE Limited**
Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001; and

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051

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

During the year under review, there was no instance of suspension of trading in the Company's shares by the stock exchanges.

Scrip Code/Scrip ID BSE - 500023/ASIANHOTNR
NSE - 233/ASIANHOTNR

International Securities Identification Number

(ISIN) for Equity shares INE 363A01022

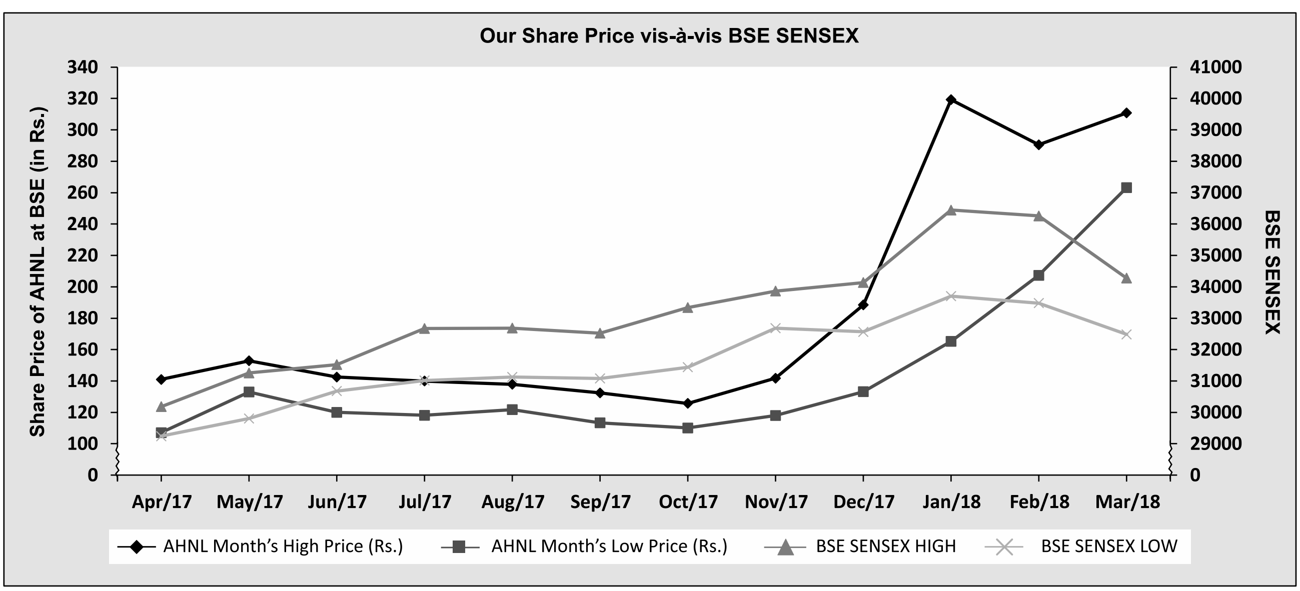
Stock Market Data

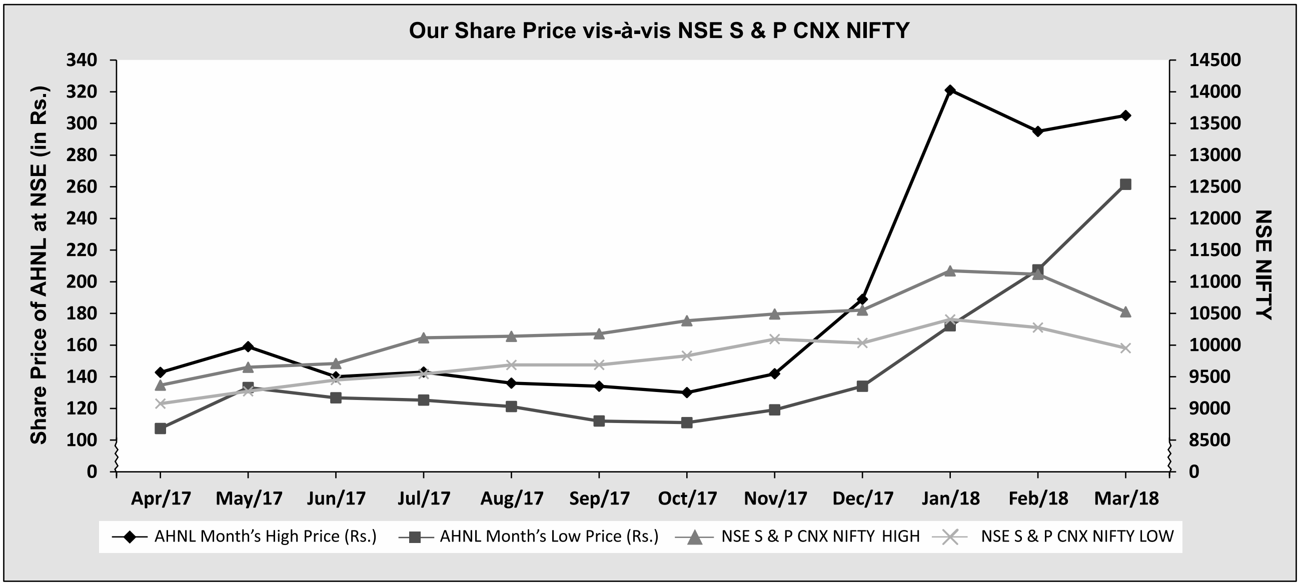
The monthly high and low quotations as well as the volume of shares traded at BSE Limited and The National Stock Exchange of India Limited are as follows:

Month	BSE Limited			The National Stock Exchange of India Limited		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
Apr 2017	140.95	107.05	48877	142.75	107.30	178147
May 2017	152.90	133.00	33285	159.00	133.20	99388
Jun 2017	142.50	120.00	8957	139.95	126.70	30003
Jul 2017	140.00	118.10	16053	142.95	125.25	51293
Aug 2017	137.90	121.75	8400	135.95	121.20	49298
Sep 2017	132.40	113.35	38814	134.00	112.05	81991
Oct 2017	125.75	110.05	29143	130.00	111.00	118018
Nov 2017	141.75	118.00	56782	141.90	119.10	314589
Dec 2017	188.50	133.20	91133	188.90	134.00	443557
Jan 2018	319.30	165.25	242093	321.00	172.20	1297638
Feb 2018	290.50	207.30	48208	294.95	207.50	375859
Mar 2018	310.85	263.20	32365	305.00	261.55	82537

Source: www.bseindia.com & www.nseindia.com

Share Price performance in comparison to BSE SENSEX & NSE S & P CNX NIFTY





Distribution of shareholders

	As on 31st March, 2018				As on 31st March, 2017			
Number of equity shares held	**No. of Shareholders**	**% of Total Shareholders**	**Number of shares held**	**% Share holding**	**No. of Shareholders**	**% of Total Shareholders**	**No. of shares held**	**% Share holding**
Up-to 500	12301	96.24	693073	3.56	13940	96.12	808549	4.16
501 – 1000	245	1.92	177624	0.91	302	2.08	220160	1.13
1001 – 2000	97	0.76	137562	0.71	110	0.76	157508	0.81
2001 – 3000	38	0.30	96714	0.50	40	0.28	101365	0.52
3001 – 4000	19	0.15	66018	0.34	21	0.14	74992	0.39
4001 – 5000	6	0.05	27709	0.14	13	0.09	60438	0.31
5001 – 10000	26	0.20	206971	1.06	18	0.12	130934	0.67
10001 – above	50	0.39	18047558	92.77	58	0.40	17899283	92.01
TOTAL	**12782**	**100.00**	**19453229**	**100.00**	**14502**	**100.00**	**19453229**	**100.00**

Category wise shareholding

	As on 31st March, 2018		As on 31st March, 2017	
CATEGORY	**No. of shares held**	**% of shareholding**	**No. of shares held**	**% of shareholding**
A. Promoters Shareholding				
- Indian	4270691	21.95	4270691	21.95
- Foreign	9830025	50.53	9830025	50.53
Total Promoters shareholding	**14100716**	**72.49**	**14100716**	**72.49**
B. Public Shareholding				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	40287	0.21	32342	0.17
- FIIs	9469	0.05	2919	0.01
- NRIs	1106474	5.69	1110499	5.71
- Bodies Corporate (Domestic)	666108	3.42	780695	4.01
- Bodies Corporate (Foreign)	690802	3.55	690802	3.55
- Individuals (Indian Public)	2732482	14.05	2665083	13.70
- Clearing Members	2847	0.01	4778	0.02
Investor Education and Protection Fund	77911	0.40	-	-
Shares in Unclaimed Suspense A/c #	26133	0.13	65395	0.34
Total Public shareholding	**5352513**	**27.51**	**5352513**	**27.51**
GRAND TOTAL*	**19453229**	**100.00**	**19453229**	**100.00**

#In terms of Clause 5A of the erstwhile Listing Agreement.

*There are no outstanding warrants/depository receipts/convertible instruments which may have impact on the equity.

Share Transfer System

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

i) Stakeholders' Relationship Committee comprising of Directors; and

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

The transfer of shares received in physical form is given effect to on a weekly basis to ensure compliance with the Listing Regulations.

Share Transfer Agent

Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B
Plot Number 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032
Tel: 91 40 67162222; Fax: 91 40 23001153
www.karvycomputershare.com
e-mail : einward.ris@karvy.com

Dematerialization of Shares/liquidity

19214576 shares (equivalent to 98.77%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March, 2018. During the year under review, the Company's shares were frequently traded in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Dividend Information

The Company keeps uploading regularly, on its website as also on the website of the Ministry of Corporate Affairs, Government of India (MCA), complete details of unpaid/unclaimed dividends from time to time. Further, in an endeavor to serve its shareholders, the Company has been notifying the shareholders about the dividends which remain unpaid/unclaimed, by sending them individual reminders from time to time.

Any amount described under Section 125(2) of the Act, including dividend, which remains unpaid/unclaimed for a period of seven years is required to be transferred by the Company in accordance with the provisions of Section 124(5) of the Act, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, during the year under review, the unpaid/unclaimed dividend for the financial years 2008-09 and 2009-10, unpaid/unclaimed sale proceeds of fractional shares arising out of issue of fresh shares under the 'Scheme of Arrangement and Demerger' disbursed on 29th October, 2010 and unpaid/unclaimed redemption amount of preference shares arising out of the conversion of Fully Convertible Preference Shares into Equity Shares of the Company, effected on 26th December, 2010, were transferred to the IEPF.

Further, Section 124(6) of the Act requires that all shares in respect of which dividend has been unpaid/unclaimed for a period of seven consecutive years shall also be transferred to IEPF. Accordingly, 77911 equity shares of the Company in respect of which dividend for all the relevant financial period/years ended 31st March, 2010, 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 remained unpaid/unclaimed consecutively for a period of seven years up-to 28th October, 2017, were transferred to IEPF in accordance with Section 124(6) of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended or re-stated from time to time (the IEPF Rules).

Attention of the members is therefore drawn to the fact that unpaid/unclaimed dividend pertaining to the financial year ended 31st March, 2011 is due for transfer to the IEPF, and therefore, any claim in respect thereof should be lodged as advised below:

Unpaid/Unclaimed Amount	Due date for transfer to IEPF	Date by which claim should be lodged
Dividend for the financial year ended 31st March, 2011	22.10.2018	08.10.2018

Shareholders are advised to write to the Company or to the Registrar & Transfer Agent requesting for fresh warrants by providing details of their Folio No./Client ID, No. of shares held by them etc. enclosing a signed cancelled cheque, self attested copy of PAN and proof of address.

Further, the members' attention is also drawn that shares in respect of which dividend remains unpaid/unclaimed for all the respective financial years ended 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 consecutively up to 22nd October, 2018, shall also be liable for transfer to IEPF, in accordance with the aforesaid provisions.

Plant Location

The Company primarily operates in one business segment i.e. Hospitality/Hotel Operations, and presently owns only one five-star deluxe hotel, namely

HOTEL HYATT REGENCY DELHI
Bhikaiji Cama Place,
M. G. Marg, New Delhi -110 066

Address for Correspondence

The investors may forward their queries to the Company at its registered office address given below. However, queries pertaining to shareholding, transfer, transmission, dividend etc., may be addressed directly to the Registrar & Transfer Agent.

Registered Office

ASIAN HOTELS (NORTH) LIMITED
Bhikaiji Cama Place,
M. G. Marg,
New Delhi – 110 066
Telephone No.: 91 11 66771225-1226
Fax No.: 91 11 26791033
Email Id.: investorrelations@ahlnorth.com

Adoption of Non-Mandatory Requirements as specified in sub-regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations	The Company has so far not implemented any non-mandatory requirement as specified in sub regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations.

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

Date: 28th May, 2018

The Board of Directors
Asian Hotels (North) Limited
Bhikaiji Cama Place
M.G. Marg
New Delhi – 110 066

Subject: Code of Conduct – Declaration under Para D of Schedule V and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)

Dear Sirs/Madam,

This is to certify that pursuant to Para D of Schedule V and other applicable regulations of the Listing Regulations, the Board of Directors has adopted a Code of Conduct for its members and senior management personnel and that all concerned have affirmed having complied with the said Code of Conduct for the financial year ended 31st March, 2018.

SHIV KUMAR JATIA
CHAIRMAN & MANAGING DIRECTOR
DIN 00006187

ANNEXURE 'F' FORMING PART OF THE DIRECTORS' REPORT

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of,

Asian Hotels (North) Limited,

We have examined the compliance of conditions of Corporate Governance by Asian Hotels (North) Limited, for the year ended 31st March, 2018 as per the Regulations 17 to 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and amendments thereof.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (incl. any amendment thereof) read with Uniform Listing Agreement executed by the Company with the Stock Exchanges.

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

For, Dhirubhai Shah & Co
Chartered Accountants
Firm Registration Number 102511W

Harish B. Patel
Partner
Membership Number 014427

Place: New Delhi
Date: May 28, 2018

ANNEXURE 'G' FORMING PART OF THE DIRECTORS' REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

PHILOSOPHY

Every business enterprise draws upon the societal resources, and therefore, it is imperative it contributes, and gives something back to the society by initiating and/or supporting programmes, projects and activities which benefit persons from the disadvantaged segments of the society.

GOVERNING LAW

Section 135(1) of the Companies Act, 2013 (the said Act), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the said Rules), requires every company having:

- net worth of Rs. 500 crore or more, or
- turnover of Rs. 1000 crore or more, or
- net profit of Rs. 5 crore or more calculated in accordance with Section 198 of the Act during any financial year to constitute a CSR Committee of the Board of Directors.

Further, Section 135(5) of the said Act mandates that the Board of every company which falls within the purview of Section 135(1) thereof, shall ensure that every year the Company spends at least 2% of the average net profit made during the three immediately preceding financial years.

Schedule VII to the said Act provides a comprehensive list of activities and a company may adopt one or more of those activities for its CSR policy.

Rule 4 of the said Rules enables a Company to undertake its CSR activities in any of the following manner:

a) on its own, as projects or programmes or activities, either new or ongoing, to the exclusion of activities undertaken in pursuance of its normal course of business;

   and/or

b) through a registered trust or a registered society or a company established under Section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise.

However, if such trust/society/company has not been established by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, then such trust/society/company must have an established track-record of three years in undertaking similar projects. Further, the Company ought to specify the projects or programmes which need to be undertaken through these entities, and the modalities of utilization of funds and monitoring and reporting mechanism.

CSR COMMITTEE AND ITS RESPONSIBILITIES

The Board has entrusted the CSR Committee with the task of formulating a CSR Policy adopting the activities listed in Schedule VII to the Act.

The Board has also entrusted the Committee the task of ascertaining the amount which the Company ought to spend on CSR activities every year including that for the financial year 2014-15 in pursuance of Section 135(5) of the said Act; recommend how and through which institutions the aforesaid activities should be undertaken; and allocate the amount for each such activity.

Further, the Committee has also been asked to recommend a monitoring and reporting mechanism to ensure that the activities included in the CSR policy are undertaken and the funds allocated there-for are appropriately utilized.

DESIGNATED CSR ACTIVITIES

The Board of the Company has adopted all the activities listed in Schedule VII to the Act for its CSR Policy namely:

(i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents;

(vii) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;

(viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

(ix) contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

(x) rural development projects;

(xi) slum area development.

Explanation – For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

The Company proposes to implement the above initiatives directly on its own and/or through recognised trusts and societies having proven track record so as to ensure compliance with the provisions of law as detailed above.

EXECUTION PLAN/GOVERNANCE

Following execution, monitoring and reporting mechanism shall be followed by the CSR Committee to ensure effective implementation of the CSR policy:

- Once the financial statements for a previous year are approved and audited, the CSR Committee shall ascertain the amount required to be spent during that current financial year and prepare a CSR Plan delineating the CSR programmes to be carried out, identify the agencies which should carry out those activities and allocate budget for each such activity. The CSR Plan should then be placed before the Board for its approval.
- After obtaining Board's approval, the CSR Committee shall assign the task of implementation of respective programmes to the designated persons/agencies and set-out the time-lines for implementation.
- Such persons/agencies shall implement/execute the respective programmes within the designated budget and time-lines, and report the status to the CSR Committee periodically.
- On its part, the CSR Committee may meet periodically to take stock of the orderly implementation of the CSR programmes and issue necessary directions/guidelines in accordance with the CSR Policy, and keep the Board informed from time to time.
- Within 30 days of the end of a financial year, the CSR Committee shall finalise its report for that year describing the programmes undertaken and amount spent on each programme against budgeted allocation. All budget overruns should be explained to and approved by the said Committee and the Board.
- CSR Committee may meet as and when required to attend to business assigned to it. Quorum for such meetings shall be two members present in person. All decisions shall be approved by simple majority. The Committee may even pass resolutions by circulation. Minutes of proceedings of the said Committee meetings shall be recorded and signed by the Chairman of the meeting, and shall be circulated to the Board.

MISCELLANEOUS PROVISIONS

- CSR projects, activities or programmes that benefit only the employees of the Company and their families shall not be considered as CSR activities.
- CSR projects, activities or programmes undertaken in India only shall amount to eligible CSR activities under this policy.
- This CSR Policy may be revised from time to time by the Board on its own or based on the recommendations of the CSR Committee and shall always be compliant with the extant provisions of laws.

ANNEXURE 'H' FORMING PART OF THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

   The Company's CSR Policy is enclosed as Annexure 'G' to the Directors' Report and has also been uploaded on the website of the Company under the web-link http://www.asianhotelsnorth.com/pdf/CorporateSocialResponsibilityPolicy.pdf

2. The composition of the CSR Committee:

   Mr. Shiv Kumar Jatia, Chairman & Managing Director (Chairman of the Committee)

   Dr. Lalit Bhasin, Independent Non-Executive Director

   Mr. Dinesh Chandra Kothari, Independent Non-Executive Director

   Mr. Pinaki Misra, Independent Non-Executive Director

3. Average net profit of the Company for the last three financial years (preceding the financial year under review): **Not Applicable since the average net profit for the last three financial years (preceding the financial year under review) is negative.**

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): **Nil**

5. Details of CSR spent during the financial year 2017-18:

   (a) Total amount to be spent for the financial year: **Nil**

   (b) Amount unspent, if any, for the financial year: **Not Applicable**

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

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1	**Project ANANDA launched by Action for Autism, a Non-profit organization**	**Promoting health care including preventive health care and sanitation**	**District Gurugram, Haryana**	**An amount of Rs. 59,45,440/- was committed during FY 2014-15 out of which Rs. 15,00,000/- was spent in that year and rest was provided for. Thereafter, Rs. 16,00,000/- and Rs. 5,00,000/- were spent during FY 2015-16 and FY 2016-17 respectively.**	**During the year under review, a further sum of Rs. 10,00,000/- was spent out of the amount committed and provided for, based on the progress of the said project.**	**Rs. 46,00,000/-**	**Spent through the implementing agency, Action for Autism**

   (d) Details of the implementing agency:

   Action for Autism (AFA) is a not-for- profit organization that has pioneered the movement for the rights of children and adults with autism in India and South Asia. Established in 1991, AFA educates through activities that span policy, research, training and arrange of life-span services. The latter includes diagnosis and assessments, counseling, early intervention, education, vocational and work skills training, and independent living, among others. Their contact details are: Action for Autism, Pocket 7 & 8, Jasola Vihar, New Delhi – 110025; Tel: 911140540991; E-mail: actionforautism@gmail.com Website: www.autism-india.org

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 Directors' Report:

   Since the average net profit for the three financial years from 2014-15 to 2016-17 worked out to be negative, the Company was not obliged to make any contribution towards CSR activities for the financial year 2017-18. Hence, no fresh project/activity was undertaken during the year under review.

   Action for Autism (AFA), a Non-profit organization has been allotted ten acres of land in Gurugram by the State Government of Haryana for a residential project for people with Autism Spectrum Disorder. The Company, as part of its CSR activities for the financial year 2014-15 had decided to support AFA to build the ground floor of one of the cottages to be used as student accommodation at an estimated cost of Rs. 59,45,440/- and had committed to release this amount in four installments. Based on the progress made in the said project, the Company has so far paid Rs. 46,00,000/- only. Though the Company stands committed to the project, the balance installments shall be released only on the basis of progress made by the project which is already way behind schedule.

   There was a balance non-committed un-spent CSR contribution of Rs. 17,42,284/- for which the Company could not decide the project and spend the same due to loss in the subsequent years including the year under review, and because of ongoing liquidity constraints.

7. Responsibility Statement by the Corporate Social Responsibility Committee:

   The implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Shiv Kumar Jatia
Chairman & Managing Director
DIN: 00006187

Place: New Delhi
Dated: 28th May, 2018

ANNEXURE 'I' FORMING PART OF THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018
of
Asian Hotels (North) Limited

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L55101DL1980PLC011037
2.	Registration Date	13th November, 1980
3.	Name of the Company	Asian Hotels (North) Limited
4.	Category/Sub-category of the Company	Public company limited by shares
5.	Address of the Registered Office & contact details	Bhikaiji Cama Place, M.G. Marg, New Delhi-110 066 Ph.: 011 66771225/26; Fax: 011 26791033
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B Plot Number 31 & 32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad – 500 032 Tel: 91 40 67162222; Fax: 91 40 23001153 E-mail Address: einward.ris@karvy.com Website: www.karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No.	NAME AND DESCRIPTION OF MAIN PRODUCTS/SERVICES	NIC CODE OF THE PRODUCT/SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1.	Hotel Operations	55101	99.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	Fineline Hospitality & Consultancy Pte. Ltd., Mauritius (FHCPL)	Not applicable	Subsidiary	100% equity held by the Company	2(87)
2.	Lexon Hotel Ventures Ltd., Mauritius (Lexon)	Not applicable	Subsidiary	80% of the equity is held by FHCPL	2(87)
3.	Leading Hotels Limited, India	U55101DL2005PLC143141	Subsidiary	99.76% equity is held by Lexon	2(87)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2668027	0	2668027	13.72	2668027	0	2668027	13.72	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1602664	0	1602664	8.24	1602664	0	1602664	8.24	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	**4270691**	**0**	**4270691**	**21.95**	**4270691**	**0**	**4270691**	**21.95**	**0**
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	9830025	0	9830025	50.53	9830025	0	9830025	50.53	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	**9830025**	**0**	**9830025**	**50.53**	**9830025**	**0**	**9830025**	**50.53**	**0**
Total shareholding of promoters (A) =(A)(1) + (A)(2)	**14100716**	**0**	**14100716**	**72.49**	**14100716**	**0**	**14100716**	**72.49**	**0**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	195	230	425	0.00	195	200	395	0.00	0
b) Banks/FI	345	137	482	0.00	8345	137	8482	0.04	0.04
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	25005	265	25270	0.13	25005	240	25245	0.13	0
g) FIIs	34	385	419	0.00	34	180	214	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
UTI	0	6165	6165	0.03	0	6165	6165	0.03	0
Foreign Portfolio Investor	2500	0	2500	0.01	9255	0	9255	0.05	0.04
Sub-total (B)(1):	**28079**	**7182**	**35261**	**0.18**	**42834**	**6922**	**49756**	**0.26**	**0.08**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	775415	5088	780503	4.01	664585	831	665416	3.42	-0.59
ii) Overseas	690802	0	690802	3.55	690802	0	690802	3.55	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1083742	213821	1297563	6.67	996969	171089	1168058	6.00	-0.67

ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1367137	0	1367137	7.03	1564319	0	1564319	8.04	1.01
c) Others (specify)									
Investor Education & Protection Fund	0	0	0	0	77911	0	77911	0.40	0.40
Unclaimed Suspense A/c	65395	0	65395	0.34	26133	0	26133	0.13	-0.21
Non Resident Indians	1046440	64059	1110499	5.71	1046733	59741	1106474	5.69	-0.02
Clearing Members	4778	0	4778	0.02	2847	0	2847	0.01	-0.01
Trusts	313	70	383	0	35	70	105	0	0
NBFCs	192	0	192	0	692	0	692	0	0
Sub-total (B)(2):	**5034214**	**283038**	**5317252**	**27.33**	**5071026**	**231731**	**5302757**	**27.26**	**-0.08**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**5062293**	**290220**	**5352513**	**27.51**	**5113860**	**238653**	**5352513**	**27.51**	**0**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**19163009**	**290220**	**19453229**	**100.00**	**19214576**	**238653**	**19453229**	**100.00**	**0**

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2017]			Shareholding at the end of the year [As on 31.03.2018]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Fineline Holdings Limited, Mauritius	4493145	23.10	100.00	4493145	23.10	100.00	0
2	Yans Enterprises (H.K.) Ltd, Mauritius	5336880	27.43	100.00	5336880	27.43	100.00	0
3	Shiv Kumar Jatia	2668027	13.72	97.93	2668027	13.72	99.02	0
4	Asian Holdings Pvt. Ltd.	1602664	8.24	99.84	1602664	8.24	99.84	0

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year (as on 01.04.2017)	14100716	72.49	14100716	72.49
	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)	Nil		Nil	
	At the end of the year (as on 31.03.2018)	14100716	72.49	14100716	72.49

 # There is no change in the overall Promoters' shareholding between 01.04.2017 and 31.03.2018.

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

S. No.	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	**Radhe Shyam Saraf**	960462	4.94	01.04.2017	0	No change during the year	960462	4.94
	Top 1st shareholder as on 31.03.2018	**960462**	**4.94**	**31.03.2018**				
2.	**GEG Investments Pty Ltd.**	690802	3.55	01.04.2017	0	No change during the year	690802	3.55
	Top 2nd shareholder as on 31.03.2018	**690802**	**3.55**	**31.03.2018**				
3.	**Yogesh Rasiklal Doshi**	224561	1.15	01.04.2017				
				07.04.2017	6752	Acquisition	231313	1.19
				14.04.2017	(19150)	Sale/Transfer	212163	1.09
				21.04.2017	8838	Acquisition	221001	1.14
				28.04.2017	1325	Acquisition	222326	1.14
				05.05.2017	8401	Acquisition	230727	1.19
				12.05.2017	(164)	Sale/Transfer	230563	1.19
				19.05.2017	(1068)	Sale/Transfer	229495	1.18
				26.05.2017	2505	Acquisition	232000	1.19
				02.06.2017	(23884)	Sale/Transfer	208116	1.07
				09.06.2017	(1182)	Sale/Transfer	206934	1.06
				16.06.2017	(405)	Sale/Transfer	206529	1.06
				23.06.2017	195	Acquisition	206724	1.06
				30.06.2017	3828	Acquisition	210552	1.08
				07.07.2017	149	Acquisition	210701	1.08
				14.07.2017	(97)	Sale/Transfer	210604	1.08
				21.07.2017	2914	Acquisition	213518	1.10
				28.07.2017	790	Acquisition	214308	1.10
				04.08.2017	(2619)	Sale/Transfer	211689	1.09
				11.08.2017	2098	Acquisition	213787	1.10
				18.08.2017	1475	Acquisition	215262	1.11
				25.08.2017	(6758)	Sale/Transfer	208504	1.07
				01.09.2017	(2027)	Sale/Transfer	206477	1.06
				08.09.2017	(10604)	Sale/Transfer	195873	1.01
				15.09.2017	1064	Acquisition	196937	1.01
				22.09.2017	9283	Acquisition	206220	1.06
				06.10.2017	914	Acquisition	207134	1.06
				13.10.2017	(3896)	Sale/Transfer	203238	1.04
				20.10.2017	3496	Acquisition	206734	1.06
				27.10.2017	5649	Acquisition	212383	1.09
				31.10.2017	3687	Acquisition	216070	1.11
				03.11.2017	11044	Acquisition	227114	1.17
				10.11.2017	2716	Acquisition	229830	1.18
				17.11.2017	(29387)	Sale/Transfer	200443	1.03
				24.11.2017	6054	Acquisition	206497	1.06
				01.12.2017	30503	Acquisition	237000	1.22
				22.12.2017	(27295)	Sale/Transfer	209705	1.08
				29.12.2017	1679	Acquisition	211384	1.09
				05.01.2018	10451	Acquisition	221835	1.14

				12.01.2018	9064	Acquisition	230899	1.19
				19.01.2018	(7061)	Sale/Transfer	223838	1.15
				26.01.2018	(7260)	Sale/Transfer	216578	1.11
				02.02.2018	8455	Acquisition	225033	1.16
				09.02.2018	6967	Acquisition	232000	1.19
				16.02.2018	(1192)	Sale/Transfer	230808	1.19
				23.02.2018	(1317)	Sale/Transfer	229491	1.18
				02.03.2018	550	Acquisition	230041	1.18
				09.03.2018	1065	Acquisition	231106	1.19
				16.03.2018	(2271)	Sale/Transfer	228835	1.18
				23.03.2018	(5317)	Sale/Transfer	223518	1.15
				30.03.2018	(1098)	Sale/Transfer	222420	1.14
	Top 3rd shareholder as on 31.03.2018	**222420**	**1.14**	**31.03.2018**				
4.	**Makalu Trading Ltd.**	136604	0.70	01.04.2017				
				08.09.2017	(5024)	Sale/Transfer	131580	0.68
	(Ceased to be amongst Top 10 shareholders effective 19.01.2018)			19.01.2018	(131580)	Sale/Transfer	0	0
		0	**0**	**31.03.2018**				
5.	**Burmans Finvest Private Limited**	109975	0.57	01.04.2017	0	No change during the year	109975	0.57
	Top 7th shareholder as on 31.03.2018	**109975**	**0.57**	**31.03.2018**				
6.	**Nitesh Arjun Thakkar**	99725	0.51	01.04.2017				
				19.01.2018	27571	Acquisition	127296	0.65
				26.01.2018	23933	Acquisition	151229	0.78
				02.02.2018	6321	Acquisition	157550	0.81
				09.02.2018	19725	Acquisition	177275	0.91
	Top 5th shareholder as on 31.03.2018	**177275**	**0.91**	**31.03.2018**				
7.	**Surender Kumar Gupta**	93225	0.48	01.04.2017				
				09.02.2018	2152	Acquisition	95377	0.49
				16.02.2018	(1078)	Sale/Transfer	94299	0.48
				23.02.2018	406	Acquisition	94705	0.49
				02.03.2018	(901)	Sale/Transfer	93804	0.48
				09.03.2018	(1304)	Sale/Transfer	92500	0.48
				16.03.2018	500	Acquisition	93000	0.48
				23.03.2018	(1000)	Sale/Transfer	92000	0.47
	Top 8th shareholder as on 31.03.2018	**92000**	**0.47**	**31.03.2018**				
8.	**Dhaval Arjun Thakkar**	79732	0.41	01.04.2017				
				19.01.2018	32731	Acquisition	112463	0.58
				26.01.2018	10637	Acquisition	123100	0.63
				02.02.2018	5600	Acquisition	128700	0.66
				09.02.2018	13800	Acquisition	142500	0.73
	Top 6th shareholder as on 31.03.2018	**142500**	**0.73**	**31.03.2018**				

9.	**Fourfold Tie-up Private Limited**	79185	0.41		0	No change during the year	79185	0.41
	Top 9th shareholder as on 31.03.2018	**79185**	**0.41**	**31.03.2018**				
10.	**Ramesh Kumar Jatia**	75190	0.39	01.04.2017				
	(Ceased to be amongst Top 10 shareholders effective 02.06.2017)							
				15.09.2017	(600)	Sale/Transfer	74590	0.38
				13.10.2017	(1000)	Sale/Transfer	73590	0.38
				10.11.2017	(2934)	Sale/Transfer	70656	0.36
				17.11.2017	(25584)	Sale/Transfer	45072	0.23
				24.11.2017	(6224)	Sale/Transfer	38848	0.20
				01.12.2017	(38848)	Sale/Transfer	0	0
		0	**0**	**31.03.2018**				
11.	**Suprapti Finvest Private Limited**	73131 **(joins Top 10 shareholders as on 02.06.2017)**	0.38	26.05.2017				
				02.06.2017	3623	Acquisition	76754	0.39
				09.06.2017	2639	Acquisition	79393	0.41
				16.06.2017	607	Acquisition	80000	0.41
				23.06.2017	4500	Acquisition	84500	0.43
				30.06.2017	117	Acquisition	84617	0.43
				07.07.2017	383	Acquisition	85000	0.44
				01.09.2017	2998	Acquisition	87998	0.45
				08.09.2017	2002	Acquisition	90000	0.46
				29.09.2017	732	Acquisition	90732	0.47
				06.10.2017	303	Acquisition	91035	0.47
				27.10.2017	500	Acquisition	91535	0.47
				31.10.2017	13465	Acquisition	105000	0.54
				24.11.2017	20000	Acquisition	125000	0.64
				08.12.2017	25000	Acquisition	150000	0.77
				15.12.2017	(1000)	Sale/Transfer	149000	0.77
				22.12.2017	(6729)	Sale/Transfer	142271	0.73
				29.12.2017	(2271)	Sale/Transfer	140000	0.72
				12.01.2017	230	Acquisition	140230	0.72
				19.01.2018	14770	Acquisition	155000	0.80
				26.01.2018	1090	Acquisition	156090	0.80
				02.02.2018	6410	Acquisition	162500	0.84
				09.02.2018	37500	Acquisition	200000	1.03
	Top 4th shareholder as on 31.03.2018	**200000**	**1.03**	**31.03.2018**				
12	**Oriental Bank Of Commerce** (Consolidated holding of different demat accounts)	24765 **(joins Top 10 shareholders as on 19.01.2018)**	0.13	12.01.2018				
				19.01.2018	188235	Acquisition	213000	1.09
				02.02.2018	(59265)	Sale/Transfer	153735	0.79
				09.02.2018	(54900)	Sale/Transfer	98835	0.51
				16.02.2018	(15000)	Sale/Transfer	83835	0.43
	(Ceased to be amongst Top 10 shareholders effective 23.02.2018)			23.02.2018	(68400)	Sale/Transfer	15435	0.08
				02.03.2018	(7435)	Sale/Transfer	8000	0.04
		8000	**0.04**	**31.03.2018**				

13	**Moonstar Securities Trading and Finance Co. Pvt. Ltd.**	71817 **(joins Top 10 shareholders as on 23.02.2018)**	0.37	23.02.2018	0	No change during the year	71817	0.37
	Top 10th shareholder as on 31.03.2018	**71817**	**0.37**	**31.03.2018**				

Note: 77911 shares equivalent to 0.40% of the total capital were transferred to Investor Education and Protection Fund Authority (Ministry of Corporate Affairs) in terms of the provisions of the Companies Act, 2013. As on 23.02.2018, the holding of 77911 shares in a folio qualified it to be amongst 'Top 10 shareholders'. However, this folio has been ignored for reporting of 'Top 10 shareholders' as it reflects the consolidated shareholding of all folios whereof shares were unclaimed.

v) Shareholding of Directors and Key Managerial Personnel

Name	**Shareholding**		**Date**	**Increase/ (Decrease) in shareholding**	**Reason**	**Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)**	
	No. of shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	**% of total shares of the Company**				**No. of shares**	**% of total shares of the Company**
Shiv Kumar Jatia (Managing Director)	2668027	13.72	01.04.2017	0	No change during the year	2668027	13.72
	2668027	**13.72**	**31.03.2018**				
Dr. Lalit Bhasin (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Dinesh Chandra Kothari (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Pinaki Misra (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Ranjan Kishore Bhattacharya (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Dipendra Bharat Goenka (Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Amritesh Jatia (Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Ms. Anita Thapar (Whole-time Director)	10	0	01.04.2017	0	No change during the year	10	0
	10	**0**	**31.03.2018**				
Mr. Dinesh Kumar Jain (Company Secretary)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Prakash Chandra Sharma (Chief Financial Officer)	0	N.A.	N.A.	0	N.A.	0	N.A.

V. INDEBTEDNESS:

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

(Rupees in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (as on 1st April, 2017)				
i) Principal Amount	95640.35	1545.00	-	97185.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1237.07	-	-	1237.07
Total (i+ii+iii)	**96877.42**	**1545.00**	**-**	**98422.42**
Change in Indebtedness during the financial year				
* Addition	-	90.00	-	90.00
* Reduction	(5813.41)	-	-	(5813.41)
Net Change	**(5813.41)**	**90.00**	**-**	**(5723.41)**
Indebtedness at the end of the financial year (as on 31st March, 2018)				
i) Principal Amount	90185.32	1635.00	-	91820.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	878.69	-	-	878.69
Total (i+ii+iii)	**91064.01**	**1635.00**	**-**	**92699.01**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

S. No	Particulars of Remuneration	Mr. Shiv Kumar Jatia (Managing Director)	Ms. Anita Thapar (Whole-time Director)
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,29,02,400*	17,16,150^
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	39,600	28,800
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of profit	0	0
	- others, specify…	0	0
5	Others viz. HRA and Group medical insurance premium etc.	70,20,964	6,48,816
	Total (A)	**1,99,62,964**	**23,93,766**
	Ceiling as per the Act	#	#

* Includes Rs. 13,82,400/- as Employer's contribution to Provident Fund, which does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act.
^ Includes Rs. 1,27,800/- as Employer's contribution to Provident Fund, which does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act.
# The Remuneration paid is in accordance with the approval obtained from the Central Government.

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	**Dr. Lalit Bhasin**	**Mr. Dinesh Chandra Kothari**	**Mr. Pinaki Misra**	**Mr. Ranjan Kishore Bhattacharya**	
	Fee for attending board and committee meetings	6,80,000	2,00,000	3,20,000	4,80,000	16,80,000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	**6,80,000**	**2,00,000**	**3,20,000**	**4,80,000**	**16,80,000**
2	**Other Non-executive Directors**			**Mr. Dipendra Bharat Goenka**	**Mr. Amritesh Jatia**	
	Fee for attending board/ committee meetings			0	0	0
	Commission			0	0	0
	Others, please specify			0	0	0
	Total (2)			**0**	**0**	**0**
	Total Managerial Remuneration (B)=(1+2)					**16,80,000**
	Overall Ceiling as per the Act@					

@Since the Company incurred loss during the year under review, no remuneration was paid to the non-executive directors, except the fees for attending the meetings of the Board and Committees thereof.

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

S. No.	Particulars of Remuneration	Company Secretary - Mr. Dinesh Kumar Jain	Chief Financial Officer - Mr. Prakash Chandra Sharma	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	54,08,109	38,23,223	92,31,332
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	39,600	0	39,600
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify…	0	0	0
5	Others (includes H.R.A. and Group Medical Insurance Premium)	12,41,911	11,46,715	23,88,626
	Total	**66,89,620**	**49,69,938**	**1,16,59,558**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences during the year ended 31st March, 2018.

ANNEXURE 'J' FORMING PART OF THE DIRECTORS' REPORT

NOMINATION, REMUNERATION AND EVALUATION POLICY

(Amended w.e.f. 11th February, 2016)

Preamble

The Nomination, Remuneration and Evaluation Policy of Asian Hotels (North) Limited is designed to attract, motivate and retain human resources; creating a competitive work environment, thus improving productivity; encouraging initiatives leading to personal growth; team work by inculcating a sense of belongingness and involvement, and also by laying down an appropriate evaluation and reward mechanism.

Definitions

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" or "**Board of Directors**" means collective body of directors of the Company.

"Company" means Asian Hotels (North) Limited.

"Director" means a director appointed to the Board of the Company.

"Independent Director" means a director referred to in Section 149 (6) of the Act.

"Key Managerial Personnel" or **"KMP"** means:

i. The CEO or the Managing Director;

ii. Whole-time Director(s);

iii. Chief Financial Officer;

iv. Company Secretary; and

v. Such other person as may be prescribed.

"Nomination and Remuneration Committee" or "Committee" means the Nomination and Remuneration Committee of Board of Directors of the Company, as constituted from time to time, in accordance with the provisions of Section 178 of the Act and Regulation 19 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) read with Para A of Part D of Schedule II to the Listing Regulations, as may be amended or re-stated from time to time.

"Policy" means this policy namely Nomination, Remuneration and Evaluation Policy.

"Senior Management Personnel" or **"SMP"** means employees of the Company who are members of its core management team who are one level below the executive director viz. all Presidents, Vice Presidents, General Managers and Division Heads.

Applicable regulatory provisions

This Policy has been formulated for due compliance of Section 178 of the Act, read with rules framed there-under, and relevant provisions of the Listing Regulations.

The Policy & its applicability

This Policy, as formulated below, applies to the Board of Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

1. Purpose

The primary objective of the Policy is to provide a framework and set benchmarks for the nomination, remuneration and evaluation of the Directors, KMP and SMP. The Company endeavours to attain an ideal mix of merit, experience, professional acumen and leadership traits amongst its Directors, KMP and SMP.

2. Accountabilities

The Board delegates the primary responsibility of assessing and selecting candidates to hold the office of Director, KMP and SMP to the Nomination and Remuneration Committee which inter-alia makes nominations/recommendations for appointment by the Board.

3. Role of the Nomination, and Remuneration Committee

The Nomination and Remuneration Committee is responsible:

3.1 To devise a policy on diversity of Board; to review the composition of the Board, adequacy of number of members on the Board and board diversity annually; and to make appropriate recommendations to correct any imbalance therein;

3.2 To formulate criteria for determining qualifications, positive attributes and independence of a director;

3.3 To identify persons who are qualified to become directors, and who may be appointed in senior management positions in accordance with the criteria laid down in the policy;

3.4 To recommend a remuneration policy for the Directors/KMP/SMP so appointed/re-appointed ensuring that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate them and comprises of an ideal balance of fixed and variable compensation that is linked to meeting appropriate performance benchmarks, and within the frame work of the said policy, to recommend remuneration for such persons from time to time;

3.5 To formulate criteria for evaluation of performance of the independent directors, such evaluation is to be done by the Board (excluding the directors being evaluated);

3.6 To formulate criteria for evaluation of performance of the non-independent directors and the Board as a whole, such evaluation is to be done by the independent directors exclusively in their separate meeting;

3.7 To formulate criteria for evaluation of the Chairman's performance, to be done by the independent directors exclusively in their separate meeting taking into account the views of executive directors and non-executive directors;

3.8 To recommend to the Board the appointment and removal of directors and senior management;

3.9 To recommend to the Board on whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of the independent directors;

3.10 Succession planning for Directors, KMP and SMP, and overseeing the transition process;

3.11 To carry out any other function as is mandated by the Board from time to time and/or required by the statute and the Listing Regulations or any amendment or modification therein, from time to time;

3.12 To perform such other functions as may be necessary or appropriate for the performance of its duties.

4. Appointment of Directors/KMP/SMP

4.1 The Nomination and Remuneration Committee while selecting a candidate for nomination to the Board shall first and fore-most evaluate the candidate's contribution in enhancing the competencies of the Board as a whole. When recommending a candidate for nomination for the office of director, the Nomination and Remuneration Committee shall:

- assess the appointee in the back drop of a range of criteria which among others include his/her qualification, merit, experience, professional acumen and leadership skills, industry experience, and other qualities required to operate successfully in that position, and the benefits of the diversity in the Board, he/she brings;
- consider the extent to which appointee is likely to contribute to the overall effectiveness of the Board while working constructively with the existing directors thus enhance the effectiveness of the Company's business;
- consider further the nature of existing positions held by the appointee including directorships or other relationships and the impact these could have on the appointee's ability to exercise independent judgement; and
- assess whether the appointee meets the statutory obligations, more so if the nomination is for the position of an independent director, and ensure that his/her independence is not compromised either due to any disability arising out of the requirements of Section 149 read with the rules framed there-under and Schedule IV to the Act or otherwise.

4.2 While selecting a candidate for the position of KMP/SMP, the Nomination and Remuneration Committee shall:

o assess the appointee in the back drop of a range of criteria which among others include his/her qualification, merit, experience, professional acumen and leadership skills, industry experience, and other qualities required to operate successfully in the position considered for.

The criteria discussed above may be listed as:

➢ Academic profile
➢ Professional qualifications
➢ Overall experience
➢ Experience in diverse organisations/industry
➢ Demonstrable leadership skills
➢ Communication, inter-personal and representational skills
➢ Ability to handle conflicting situations and conflict management
➢ Commitment to high standards of governance, ethics, personal integrity and probity
➢ Commitment to the promotion of equal opportunities for all
➢ Commitment to continuous learning and professional development

o the extent to which appointee is likely to contribute to achieve the overall objectives of the Company, working constructively in tandem with peers.

5. Letters of Appointment

Each Director/KMP/SMP shall be issued a letter of appointment detailing the terms of appointment and the role assigned in the Company.

6. **Remuneration of Directors, KMP and SMP**

6.1 **Guiding Principles**

The guiding principle is that the quantum and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the appointee as Director, KMP or SMP, and shall be commensurate to the academic and professional qualifications, overall experience, and the responsibilities the appointee is expected to shoulder. Needless to say the Nomination and Remuneration Committee shall also keep in mind the statutory provisions and limiting factors therein while deciding the remuneration of its Directors.

The Nomination and Remuneration Committee shall determine remuneration for Directors, KMP and SMP of the Company individually, primarily taking into account the factors listed in para 4.2 above as also the industry norms, prevailing business environment, financial health of the Company, extant regulatory guidelines or restrictions.

6.2 **Remuneration Structure**

The overall remuneration payable to the directors of the Company and to each one of the managing/whole-time director and non-executive director of the Company are governed by the provisions of Section 197 and 198 of the Act, rules framed there-under and Schedule V to the said Act.

Managing Director/Whole-time Director

The remuneration package of the Managing Director and/or the whole time directors has three components namely, salary, perquisites and commission on net profit as calculated in terms of Section 198 of the Act.

a) **Salary** (Base salary as fixed compensation)

Ought to be competitive and reflective of the individual's role, responsibility and experience, usually reviewed on an annual basis based on the overall operational & financial performance and financial health of the Company.

b) **Perquisites**

Benefits like housing accommodation or allowance in lieu thereof, employer's contribution to provident fund, gratuity, leave travel assistance, medical reimbursement, company car/telephone etc. which are normally part of remuneration package in line with the market practice.

c) **Commission on net profit** (Variable compensation linked to profit)

A commission on profit not exceeding a specified percentage of net profit as calculated in terms of Section 198 of the Act for the concerned financial year is paid which acts as performance linked variable remuneration.

The Nomination and Remuneration Committee may in its discretion, structure any portion of remuneration as rewards linked to corporate and individual performance, fulfilment of specified targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial or non-financial metrics.

Non-executive Directors

Collectively all non-executive directors including the independent directors shall be paid remuneration up to an amount not exceeding 1% of the net profit of the Company as calculated in terms of Section 198 of the Act for the concerned financial year. The Nomination and Remuneration Committee may set any limit beyond which any such director may not be entitled for remuneration within the overall limit of 1% of the net profit collectively for all such directors. The remuneration payable to individual directors may vary within the limits specified above, based on their individual performance evaluation.

In addition to the above, the directors are entitled to and are paid sitting fees for attending the meetings of the Board and Committees thereof. The sitting fee thus payable shall not exceed the amount as prescribed under the Act from time to time. The sitting fee paid to the independent directors shall not be less than the sitting fee payable to the other directors.

None of the directors including the independent directors are entitled to stock options.

6.3 The remuneration payable to the KMP shall be decided by the Board based on the recommendations of the Nomination and Remuneration Committee made in view of the factors listed in para 4.2 and guiding principles mentioned in para 6.1 above.

6.4 The remuneration payable to the SMP shall be decided based on the factors listed in para 4.2 and guiding principles mentioned in para 6.1 above and in overall consonance with this Policy.

7. **Evaluation of Directors/KMP/SMP**

The evaluation of the Directors, KMP and SMP of the Company shall be conducted annually.

The criteria for evaluating the performance of persons belonging to each of the categories namely, Directors, KMP and SMP are listed below:

Chairman

- Leadership abilities
- Stewarding the Board and shareholders' meetings

- Ensuring dissemination of timely, regular and adequate material information to the Board and the shareholders
- Whether he encourages other Board members to share their views
- Moderation of conflicting views
- Conducting meetings in an un-biased manner, giving adequate and fair representation to all at the meetings as well as while recording minutes of the proceedings

Managing Director/Whole-time Director

- Leadership abilities
- Contribution to define Corporate Objectives
- Achievements vis-a-vis Corporate Objectives
- Overall operational and financial performance of the Company
- Mitigation of significant risks
- Adherence of internal controls systems
- Corporate Governance and Legal Compliance Matrix
- Timely, regular and adequate dissemination of material information to the Board
- Communication of expectations and concerns with KMP & SMP
- Strategic planning aimed at sustainable growth of the Company

Independent Directors/Other Non-executive Directors

- Contribution towards enhancing Board's competency
- Leadership abilities
- Contribution towards defining Corporate Objectives and their achievement
- Contribution towards mitigation of significant risks and strengthening internal control systems
- Contribution towards strengthening Corporate Governance and Legal Compliance environment
- Contribution towards strategic planning for the growth of the Company
- Attendance at the Board/Committee meetings and participation there-at
- Contribution as a balancing force for the protection of minority shareholders' interest [exclusively for independent directors]

KMP/SMP

- Professional knowledge and acumen
- Ability to lead his team
- Contribution towards achieving the Corporate Objectives
- Contribution towards overall operational and financial performance of the Company
- Mitigation of significant risks pertaining to the functional area
- Adherence of standard operating procedures and internal controls systems
- Maintaining Governance, Legal Compliance environment and ethical behaviour
- Personal integrity, honesty and probity
- Timely, regular and adequate submission of material information to the Managing Director and/or the Board
- Constantly assess, evaluate and upgrade existing policies, structures and procedures to meet future challenges
- Cost consciousness
- Ability to handle conflicting situations and conflict management
- Commitment to the promotion of equal opportunities for all
- Commitment to continuous learning and professional development for self and team members
- Ability to work constructively in tandem with peers

Evaluation of the Chairman's performance shall be done by the independent directors exclusively in their separate meeting taking into account the views of executive directors and non-executive directors, based on the relevant parameters detailed above.

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for the Managing/Whole-time Director and each of the Non-independent Directors in a separate meeting of the Independent Directors.

The Board will evaluate each of the Independent Directors on the aforesaid parameters. However, the Independent Director being evaluated at a given time shall not participate in the discussions at the relevant time.

8. Evaluation of the Board

The Independent Directors shall evaluate the functioning of the Board annually in their separate meeting. The parameters for evaluating the Board shall be as under:

- Could the Board lay down the Corporate Objectives clearly and effectively?
- Could the Board provide a distinct direction for growth foreseeing the future trends in the industry?
- Could the Board visualize significant risks and future challenges?
- Could the Board ensure achievement of annual targets and projected financial results/performance?
- Could the Board provide fresh impetus for accelerated growth?
- Could the Board plan strategically for the sustained growth of the Company?
- Could the Board ensure Board diversity?
- Could the Board ensure compliance with Corporate Governance, Company's Policies and Code of Conduct at all levels?

9. Removal

In case a director, KMP or SMP suffers from any disqualification mentioned in the Act or under any other statute or regulations; or under the Articles of Association or the Code of Conduct or any other Policy of the Company, the Committee may recommend to the Board with reasons recorded in writing, to remove a Director, KMP or SMP subject to a fair and equitable opportunity being provided to the said person to explain his position.

10. Retirement

The Director, KMP and SMP shall retire as per the applicable provisions of the Act and the prevailing policies of the Company. However, the Board shall have the discretion to extend or retain the services of such Director, KMP or SMP in the same position and remuneration or otherwise even after his attaining the age of retirement, for the benefit of the Company.

11. Composition of the Nomination and Remuneration Committee & conduct of its meetings

The Committee, as constituted by the Board, comprises of three (3) Independent Non-executive Directors. Hence, the Committee is chaired by an Independent Non-executive Director. In the absence of the Chairman, the members of the Committee present at the meeting elects one amongst themselves to act as the Chairman of the meeting.

The Committee meets as and when required to attend to its business and that any two members constitute a quorum for the Committee meetings.

Proceedings of all meetings are minuted and signed by the Chairman of the Committee. Minutes of the Committee meetings are tabled at the subsequent Committee meeting for confirmation and are also placed before the Board meeting held immediately after such Committee meetings.

Other provisions relating to the conduct of the Board meetings of the Company applies mutatis mutandis to the Committee meetings.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

12. Review and Amendment

The Committee or the Board may review, amend or re-state this Policy as and when it deems necessary. The Committee may supplement this Policy by issuing guidelines, procedures, formats, reporting mechanism etc. for its better implementation.

13. Deviations from the Policy

The Board, in extraordinary circumstances and on the recommendations of the Committee, may take decisions in deviation of this policy in the interests of the Company.

Note: The Original Policy effective 8th March, 2015, was amended and approved by the Board on 11th February, 2016.

Independent Auditor's Report

To the Members of Asian Hotels (North) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Asian Hotels (North) Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), and the Statement of Cash flows and the Statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

Opinion

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

Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

Note 34(d) and 34(e) to the standalone financial statements, which describes the uncertainty related to the outcome of the law-suits filed against the Company and also in which the Company is one of the party.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

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

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; 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, 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, wherever necessary, of pending litigations on its financial position in its financial statements (Refer Note 34 of the standalone financial statements) except as mentioned above under the paragraph on ‘Emphasis of Matters’;

   ii. the Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

For **Dhirubhai Shah & Co**
Chartered Accountants
Firm’s registration number: 102511W

Harish B Patel
Partner
Membership number: 014427

Place: New Delhi
Date: 28th May 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that:

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

(b) The Company has a regular program of physical verification of its fixed assets. In accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventory has been physically verified at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

(iii) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') except certain advance for expenses/trade receivables recoverable in the normal course of business and therefore, the provisions of clauses (iii)(a), (iii)(b) & (iii)(c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, GST, Cess and other statutory dues applicable to it.

According to the information and explanations given to us, in our opinion no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, GST, Cess and other statutory dues applicable to it were in arrears as at the balance sheet date for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues outstanding of Income Tax, Sales Tax (including Value Added Tax and Central Sales Tax), Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess on account of any dispute except as follows:

Nature of Statute	Year to which it relates	Amount unpaid (excluding interest) (Rs. In Lakhs)	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	2002-2007	254.53 Lakhs (Including penalty of Rs. 250 Lakhs)	Customs, Excise and Service Tax Appellate Tribunal, New Delhi

(viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution, banks or Government during the year. The company does not have any debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and according to the explanations given by the management, term loans were applied for the purposes for which loans were raised.

(x) Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Ind AS.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Dhirubhai Shah & Co**
Chartered Accountants
Firm's registration number: 102511W

Harish B Patel
Partner
Membership number: 014427

Place: New Delhi
Date: 28th May 2018

Annexure - B to the Auditors' Report

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dhirubhai Shah & Co**
Chartered Accountants
Firm's Registration Number: 102511W

Harish B Patel
Partner
Membership Number: 014427

Place: New Delhi
Date: 28th May 2018

STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2018

	Note No.	As at 31-03-2018 (Rs. In Lakhs)		As at 31-03-2017 (Rs. In Lakhs)	
ASSETS					
NON-CURRENT ASSETS					
(a) Property, Plant and Equipment	4	**1,14,812.09**		1,18,554.67	
(b) Capital Work in Progress	4	**191.02**		140.22	
(c) Financial Assets					
(i) Investments	5	**56,306.95**		56,143.46	
(ii) Loans	6	**26.83**		18.90	
(iii) Others	7	**228.32**		145.59	
(d) Deferred Tax Assets (Net)	8	**1,879.71**		1,846.90	
(e) Other Non-Current Assets	9	**1,272.94**		1,051.10	
			1,74,717.86		1,77,900.84
CURRENT ASSETS					
(a) Inventories	10	**1,161.29**		948.89	
(b) Financial Assets					
(i) Trade Receivables	11	**1,200.56**		1,089.18	
(ii) Cash and Cash Equivalents	12	**595.57**		1,137.22	
(iii) Bank Balance other than (ii) above	13	**340.10**		347.72	
(iv) Loans	14	**-**		100.00	
(v) Others	15	**2,715.91**		906.57	
(c) Other Current Assets	16	**389.67**		638.28	
			6,403.10		5,167.86
TOTAL ASSETS			**1,81,120.96**		1,83,068.70
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	17	**1,945.32**		1,945.32	
(b) Other Equity	18	**71,928.40**		72,137.77	
			73,873.72		74,083.09
LIABILITIES					
NON-CURRENT LIABILITIES					
(a) Financial Liabilities					
(i) Borrowings	19	**83,096.34**		88,232.67	
(ii) Other Financial Liabilities	20	**1,827.30**		1,724.98	
(b) Provisions	21	**436.64**		423.54	
			85,360.28		90,381.19
CURRENT LIABILITIES					
(a) Financial Liabilities					
(i) Borrowings	22	**6,476.10**		6,504.63	
(ii) Trade Payables	23	**4,742.45**		4,121.43	
(iii) Other Financial Liabilities	24	**1,553.71**		2,176.69	
(b) Other Current Liabilities	25	**8,860.12**		5,548.67	
(c) Provisions	26	**254.58**		253.00	
			21,886.96		18,604.42
TOTAL EQUITY & LIABILITIES			**1,81,120.96**		1,83,068.70

Corporate Information, Basis of Preparation & Significant Accounting Policies 1-3

The accompanying notes 1 to 44 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
Partner
Membership Number: 014427

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs & Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

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

	Note No.	2017-18 (Rs. In Lakhs)		2016-17 (Rs. In Lakhs)	
INCOME					
Revenue from operations	27	**27,443.97**		25,118.83	
Other income	28	**3,110.96**		976.42	
TOTAL INCOME			**30,554.93**		26,095.25
EXPENSES					
Consumption of provisions, beverages, smokes and others	29	**3,641.74**		3,145.69	
Employee benefits expense	30	**6,392.34**		5,767.67	
Finance Costs	31	**9,832.12**		9,900.21	
Depreciation and amortization expenses	4	**1,996.07**		2,121.63	
Other expenses	32	**8,967.57**		7,899.89	
TOTAL EXPENSES			**30,829.84**		28,835.09
Profit/(Loss) before exceptional items and tax			**(274.91)**		(2,739.84)
Exceptional items (net)			-		
Profit/(Loss) before tax			**(274.91)**		(2,739.84)
Tax items					
Current tax		**-**		-	
Earlier years tax provisions (written back)		**-**		109.72	
Deferred tax asset / (liability)		**32.81**		1,068.75	
Total tax items			**32.81**		1,178.47
Profit/(Loss) for the year			**(242.10)**		(1,561.37)
Other Comprehensive Income / (Loss)					
Items that will not be re-classified to Profit or Loss					
Re-measurement gains/ (losses) on post employment benefit plans		**32.73**		(52.08)	
Additional depreciation on account of revaluation		**-**		86.77	
Other Comprehensive Income for the year / (Loss)			**32.73**		34.69
Total Comprehensive Income/ (Loss) for the year			**(209.37)**		(1,526.68)
Earning Per Equity Share (Basic and Diluted) (In Rs.)	33		**(1.24)**		(8.03)
Corporate Information, Basis of Preparation & Significant Accounting Policies	1-3				

The accompanying notes 1 to 44 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
Partner
Membership Number: 014427

Place: New Delhi
Dated: 28th May, 2018

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of
Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs &
Company Secretary
M. No.: FCS 6224

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	**(274.91)**	(2,739.84)
Adjustments for:		
Depreciation and amortization	**1,996.07**	2,121.63
Interest and finance charges	**9,800.22**	9,673.22
Interest income	**(43.67)**	(62.37)
(Gain)/Loss on fixed assets sold/ discarded (net)	**(2,328.03)**	(430.15)
Net unrealized (gain)/loss on foreign currency transaction and translation (relating to other heads)	**(7.68)**	508.44
Bad debts / advances written off	**-**	28.87
Provision for bad & doubtful debts/advances (written back)	**35.98**	32.07
Excess Provisions / Liability no longer required written back	**(120.50)**	(406.59)
Non-operating Income	**(462.56)**	-
Operating Profit before Working Capital Changes	**8,594.92**	8,725.28
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	**(1,723.96)**	(118.65)
(Increase)/decrease in inventories	**(212.40)**	(150.90)
Increase/(decrease) in trade payables, other liabilities and provisions	**3,938.10**	(176.01)
Cash Generated from Operations	**10,596.66**	8,279.72
Income taxes paid	**(245.68)**	(105.98)
Net Cashflow from Operating Activities	**10,350.98**	8,173.74
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	**(369.71)**	(534.07)
Additions in capital work in progress	**(549.17)**	(931.53)
Proceeds from sale of fixed assets	**4,942.47**	2,745.98
Investments in bank deposits (with original maturity over 3 months)	**-**	(328.00)
Proceeds from bank deposits (with original maturity over 3 months)	**50.05**	765.00
Interest received	**50.31**	120.47
Investment in shares	**(142.51)**	-
Non-operating Income	**462.56**	-
Net Cashflow from Investing Activities	**4,444.00**	1,837.85

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings		
Receipts	**10,824.00**	13,162.58
Payments	**(15,674.36)**	(12,215.03)
Proceeds from short term borrowings		
Receipts	**90.00**	4,945.45
Payments	**(657.49)**	(5,667.77)
Interest and finance charges	**(9,918.78)**	(10,067.85)
Net Cashflow from Financing Activities	**(15,336.63)**	(9,842.62)
Net Increase/(Decrease) in Cash and Cash Equivalents	**(541.65)**	168.97
Cash and bank balances at the beginning of the year	**1,137.22**	968.25
Cash and bank balances at the end of the year	**595.57**	1,137.22

NOTES:

1) **The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows**
2) **Figures in bracket indicate cash outflow.**
3) **Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.**

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

DETAIL OF CASH AND CASH EQUIVALENTS	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Balances with banks		
In current accounts	**558.93**	1,115.46
In deposits with original maturity of less than 3 months	**-**	-
Cash on hand	**36.64**	19.90
Cheque on hand	**-**	1.86
	595.57	1,137.22

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
Partner
Membership Number: 014427

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of
Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

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

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2018

(Rs. In Lakhs)

Balance as at 1st April, 2017	Changes during the year	Balance as at 31st March, 2018
1,945.32	-	**1,945.32**

For the year ended 31st March, 2017

(Rs. In Lakhs)

Balance as at 1st April, 2016	Changes during the year	Balance as at 31st March, 2017
1,945.32	-	1,945.32

(B) OTHER EQUITY

For the year ended 31st March, 2018

Particulars	Capital Reserve	General Reserve	Capital Redemption Reserve	Security Premium Account	Revaluation Reserve	Retained Earnings	FVOCI Reserve	Total Equity
Balance as at 1st April, 2017	1.41	8863.57	990.00	32,994.83	19,074.94	9,711.68	501.34	72,137.77
Profit/(Loss) for the year	-	-	-	-	-	(242.10)	-	(242.10)
Transfer from / to	-	-	-	-	(19,074.94)	19,074.94	-	-
Other Comprehensive income/(loss) for the year								-
Remeasurements gain/(loss) on defined benefit plans	-	-	-	-	-	-	32.73	32.73
Balance as at 31st March, 2018	**1.41**	**8,863.57**	**990.00**	**32,994.83**	**-**	**28,544.52**	**534.07**	**71,928.40**

For the year ended 31st March, 2017

Particulars	Capital Reserve	General Reserve	Capital Redemption Reserve	Security Premium Account	Tourism Development Reserve	Revaluation Reserve	Retained Earnings	FVOCI Reserve	Total Equity
Balance as at 1st April, 2016	1.41	3,531.55	990.00	32,994.83	5,332.02	19,161.71	11,273.05	466.65	73,751.22
Profit/(Loss) for the year	-	-	-	-	-	-	(1,561.37)	-	(1,561.37)
Transfer from / to	-	5,332.02	-	-	(5,332.02)	(86.77)	-	86.77	-
Other Comprehensive income/(loss) for the year									-
Remeasurements gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	(52.08)	(52.08)
Balance as at 31st March, 2017	**1.41**	**8,863.57**	**990.00**	**32,994.83**	**-**	**19,074.94**	**9,711.68**	**501.34**	**72,137.77**

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
Partner
Membership Number: 014427

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
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PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs & Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. CORPORATE INFORMATION

Asian Hotels (North) Limited ("the Company") is a public limited company domiciled in India and is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company is operating a Five Star Deluxe Hotel, namely Hyatt Regency in Delhi since 1982.

2. BASIS OF PREPARATION

For the year ended 31st March 2018, the Company has prepared its financial statements in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with Companies (Accounts) Rules 2014 (Ind AS). The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities which have been measured at fair value, defined benefits plans and contingent consideration. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

a. Expected to be realized or intended to be sold or consumed in normal operating cycle

b. Held primarily for the purpose of trading

c. Expected to be realized within twelve months after the reporting period, or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle

b. It is held primarily for the purpose of trading

c. It is due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

2A. USE OF ESTIMATES

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

a) Estimation of current tax expense and payable – Refer accounting policies - 3.9

b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policies - 3.1

c) Estimation of defined benefit obligation – Refer accounting policies - 3.8

d) Estimation of fair values of contingent liabilities - Refer accounting policies - 3.12

e) Recognition of revenue - Refer accounting policies - 3.4

f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policies - 3.9

g) Impairment of financial assets – Refer accounting policies - 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost (including any revalued amount) net of tax / duty credit availed, less accumulated depreciation and accumulated and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment

Tangible Fixed Assets:

(a) Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods.

(b) Depreciation on leasehold improvements is being charged equally over the period of the lease.

(c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve and credited to the Other Comprehensive Income based on guidance provided by ''Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India read with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2016 as amended by the Companies (Indian Accounting standards) (Amendment) Rules, 2016.

(d) No depreciation is charged on the assets sold/ discarded during the year.

(e) On transition to Ind AS, the Company had elected to measure its Property, Plant and Equipment at cost as per Ind AS. Further, as per the requirement of paragraph 11 of Ind AS 101, outstanding amount in the revaluation reserve is transferred to retained earning account. This is because after transition, the Company is no longer applying the revaluation model of Ind AS 16, instead it has elected to apply the cost model approach.

Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period.

3.2 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

In respect of the subsidiaries assets at each balance sheet date, the impairment testing is based on the realizable value of underlying assets as tested by the Board of Directors of the subsidiary.

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

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3.3 Foreign Currency Transactions

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

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.4 Revenue recognition

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

(i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer or the agreed milestones are achieved and are net of service tax and Goods and Service Tax (GST), wherever applicable.

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

(iii) Dividend income from investments is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

(iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.

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

(vi) Excise duty (up to 30th June, 2017) is a liability of the Company, which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, the recovery of excise duty flows to the Company on its own account and hence revenue includes excise duty.

3.5 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.

A. Financial Assets

a. 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 attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company settle commits to purchase or sell the asset.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

b. Subsequent measurement:

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

i. Debt instruments at amortized cost:

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

- The asset is held with an objective of collecting contractual cash flows
- 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 and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

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

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments 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]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Derecognition:

A financial asset is primarily derecognized when:

i. 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.

ii. the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

d. 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, deposits, trade receivables and bank balance

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

b. Trade receivables or any contractual right to receive cash

c. Financial assets that are debt instruments and are measured as at FVTOCI

d. Lease receivables under Ind AS 17

e. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the company to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

B. Financial liabilities:

a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

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

i. 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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

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

ii. Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

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.

iii. Financial guarantee contracts:

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

c. Derecognition:

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

C. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

D. Offsetting of financial instruments:

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

3.6 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.7 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is determined by weighted average method. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.

3.8 Retirement benefits

Retirement benefit costs for the year are determined on the following basis:

(i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. There is no obligation other than the contribution payable to the respective fund.

(ii) The Company also provides for retirement benefits in the form of gratuity and compensated absences/ Leave encashment in pursuance of the Company leave rules. The Company's liability towards such defined benefit plans are determined based on valuations as at the Balance Sheet date made by independent actuaries. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Re-measurements, 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 (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset

3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

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

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

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

Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.14 Leases

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

- 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.
- Lease other than finance lease are operating lease and these leased assets are not recognized in the company's statement of financial position but are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Company is both a lessee and a lessor under such arrangements. Payments and receipts under such leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the primary period of the lease unless another systematic basis is more representative of the time pattern of the user’s benefit.

3.15 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4. PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

	Freehold land	Buildings	Furniture, Fixtures and Furnishing	Plant and Equipments	Office Equipment	Computers	Vehicles	Total	Capital Work-In progress
Cost:									
As at 31st March, 2016	80,074.28	30,995.01	7,928.84	15,947.29	83.30	544.41	1,270.42	1,36,843.55	337.96
Additions	-	572.68	288.48	624.87	3.16	29.27	144.88	1,663.34	931.53
Disposals / transfers	-	1,480.02	431.39	1,263.77	40.61	128.78	328.38	3,672.95	1,129.27
As at 31st March, 2017	**80,074.28**	**30,087.67**	**7,785.93**	**15,308.39**	**45.85**	**444.90**	**1,086.92**	**1,34,833.94**	**140.22**
Additions	-	111.83	42.26	329.38	6.84	6.54	371.23	868.08	549.17
Disposals / transfers		2,292.60	32.49	470.16	-	-	106.25	2,901.50	498.37
As at 31st March, 2018	**80,074.28**	**27,906.90**	**7,795.70**	**15,167.61**	**52.69**	**451.44**	**1,351.90**	**1,32,800.52**	**191.02**
Accumulated depreciation:									
As at 1st April, 2016	-	3,021.35	5,004.16	6,500.27	57.78	475.33	455.87	15,514.76	-
Depreciation charged during the year	-	488.35	531.51	917.19	5.42	30.93	148.23	2,121.63	-
Disposals / transfers	-	78.88	354.73	534.45	34.10	117.14	237.82	1,357.12	-
As at 31st March, 2017	**-**	**3,430.82**	**5,180.94**	**6,883.01**	**29.10**	**389.12**	**366.28**	**16,279.27**	**-**
Depreciation charged during the year	-	461.67	449.41	898.98	6.25	20.33	159.43	1,996.07	-
Disposals / transfers	-	110.72	11.25	103.12	-	-	61.82	286.91	-
As at 31st March, 2018	**-**	**3,781.77**	**5,619.10**	**7,678.87**	**35.35**	**409.45**	**463.89**	**17,988.43**	**-**
Net book value									
As at 31st March, 2017	80,074.28	26,656.85	2,604.99	8,425.38	16.75	55.78	720.64	1,18,554.67	140.22
As at 31st March, 2018	**80,074.28**	**24,125.13**	**2,176.60**	**7,488.74**	**17.34**	**41.99**	**888.01**	**1,14,812.09**	**191.02**

(a) Building includes leasehold improvement:

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**32.42**	32.42
Accumulated depreciation	**31.88**	31.87
Depreciation charge for the year	**0.01**	0.01
Net value	**0.54**	0.55

(b) Vehicles includes those financed:

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**1075.23**	761.03
Net value	**817.97**	615.76

(c) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity (Refer Note 36 on Segment Reporting)

Land (freehold)

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**34.00**	34.00
Net value	**34.00**	34.00

Plant and Equipments

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**1,857.02**	1,857.02
Net value	**974.75**	1,048.24

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4. PROPERTY, PLANT AND EQUIPMENT ...contd.

(d) Capital Work in Progress consists of :

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Balance at the beginning of the year	**140.22**	337.96
Building under construction	**154.28**	173.08
Technical and consultancy fees	**77.36**	52.81
Kitchen Equipments	**41.60**	49.90
Plant and Machinery under installation	**-**	-
Plumbing and sanitation	**13.68**	5.36
Air conditioning under installation	**80.42**	61.96
Elevators under installation and others	**7.25**	3.95
Furniture and Fixtures	**55.45**	221.95
Fire fighting equipments	**14.13**	93.27
Office, Housekeeping and other equipments	**0.15**	16.62
Music, TV and Cinematograph	**18.83**	104.40
Electrification	**15.12**	23.10
Expenditure during construction {Refer Note (e) below}	**70.90**	125.13
	689.39	1,269.50
Less: Capitalized during the year	**(498.37)**	(1,129.27)
Balance at the end of the year	**191.02**	140.22

(e) All other expenses specifically attributable to construction have been accounted for as expenditure during construction. The Company has prepared the following Statement of Expenditure during construction:

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
STATEMENT OF EXPENDITURE DURING CONSTRUCTION		
Employee benefits and miscellaneous expenses	**30.53**	63.46
Legal and professional charges (Including loan processing and arranging fees)	**32.20**	8.25
Travelling expenses	**0.89**	3.58
Interest expenses	**-**	49.84
Miscellaneous expenses	**7.28**	-
	70.90	125.13

5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unquoted investments:		
a. Investment in equity instruments		
Subsidiary companies	**54,653.62**	54,653.62
Less: provision for impairment on the value of investment	**(5,119.60)**	(5,119.60)
	49,534.02	49,534.02
Others companies	**142.54**	-
b. Investment in preference shares		
Subsidiary companies	**6,630.39**	6,609.44
	56,306.95	56,143.46
Aggregate amount of unquoted investments	**56,306.95**	56,143.46
Aggregate provision for diminution on value of investments	**5,119.60**	5,119.60

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS ...contd.

Details of Investments

	Face value per unit in Rs. unless otherwise specified	No. of shares/units As at 31-03-2018	Value As at 31-03-2018 (Rs. In Lakhs)	Value As at 31-03-2017 (Rs. In Lakhs)
Unquoted Investments:				
Investment in equity instruments				
Investment in subsidiary company				
Par value of equity shares				
1. Fineline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL)	USD 1	**9,42,95,582**	**54,653.62**	54,653.62
Less: Provision for Impairment on the value of investment			**(5,119.60)**	(5,119.60)
			49,534.02	49,534.02
Investment in other companies				
2. Sandhya Hydro Power Projects Balargha Pvt. Ltd. *	Rs. 10	**14,24,780**	**142.54**	-
Investment in preference shares				
Investment in subsidiary company				
Fully paid up preference shares				
Fineline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL) #	USD 1	**1,01,93,679**	**6,630.39**	6,609.44
Total			**56,306.95**	56,143.46

The change in value is solely on account of change in exchange rate on the stated foreign currency amount invested.

* Pursuant to the Power Purchase Agreement (PPA), investment has been made which will entitle the company to consume power, equivalent to a maximum capacity of 1.97 MW

Notes:

(a) The Company presently holds 100% interest in Fineline Hospitality & Consultancy Pte Ltd. (FHCPL), which in turn holds 80% stake in Lexon Hotels Venture Ltd., Mauritius (Lexon); and Lexon in turn holds 99.76% interest in Leading Hotels Limited (Leading). Leading is developing an all Villa Hotel Complex at Goa and an 18 hole, 72 par Championship Golf Course. The said project will be under the management of Four Seasons, a world famed hotel chain and hospitality management company.

(b) The auditors of the subsidiary company, Leading Hotels Limited, in their report had drawn attention to the fact that there were some ongoing legal disputes on its project, and had also indicated that the financial implication of such disputes cannot be ascertained. However, there is an existing overall provision for impairment of Rs. 5,119.60 Lakhs against the investment in the same project, created in earlier years.

6. NON - CURRENT FINANCIAL ASSETS - LOANS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Others:		
Loans to employees	**26.83**	18.90
	26.83	18.90

7. NON - CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated	**-**	
Security deposits	**228.32**	95.59
Bank deposits with original maturity greater than 12 months* (See Note - 13)	**-**	50.00
	228.32	145.59
*Includes as margin money deposit against borrowings from banks	-	50.00

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

8. TAXATION - DEFERRED TAX

I. Income tax related items charged or credited directly to profit or loss during the year

Particulars	2017-18	2016-17
Statement of profit or loss		
Current income tax		-
Prior year income tax / (reversal)		(109.72)
Deferred tax expense / (benefit)	**(32.81)**	(1,068.75)
Total	**(32.81)**	(1,178.47)

II. Income Tax Expense

Reconciliation		
Accounting profit / loss before tax	**(274.91)**	(2,739.84)
Applicable tax rate	**31.20%**	30.90%
Computed tax expense	**(85.77)**	(846.61)
Expense not considered for tax purpose	**221.01**	101.09
Income not considered for tax purpose	**(744.45)**	(235.03)
Additional allowance for tax purpose	**(16.55)**	(6.54)
Other timing difference	**(2.11)**	(191.37)

III. Deferred Tax relates to the following:

Particulars	Balance Sheet		Recognized in statement of profit or loss	
	As at 31-03-2018	As at 31-03-2017	**2017-18**	2016-17
Expense allowable on payment basis	**536.62**	533.73	**2.90**	533.73
Unused tax losses / depreciation	**6,685.06**	5,874.50	**810.56**	5,874.50
Minimum alternate tax (MAT) credit	**778.15**	778.15	**-**	-
Depreciation timing difference	**(6,120.12)**	(5,339.48)	**(780.65)**	(5,339.48)
Deferred tax asset / (liability)	**1,879.71**	1,846.90	**32.81**	1,068.75

The Company is having net deferred tax asset (DTA) as on 31st March, 2018 and on the basis of reasonable certainty concept as per Ind-AS provisions, the same has been recognized in the books of account.

9. NON - CURRENT ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Capital advances		
Considered good	**41.00**	64.84
Considered doubtful	**-**	-
	41.00	64.84
Less: Provision for doubtful advances	**-**	-
	41.00	64.84
Advance income tax (net of provision for taxation)	**1,231.94**	986.26
	1,272.94	1,051.10

10. INVENTORIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
(valued at lower of cost and net realizable value)		
Wines and liquor	**550.41**	526.04
Provisions, other beverages and smokes	**189.15**	154.64
Crockery, cutlery, silverware, linen etc.	**338.14**	184.81
General stores and spares	**83.59**	83.40
	1,161.29	948.89

- As per inventory taken and valued by the Management

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

11. TRADE RECEIVABLES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured		
Other debts		
Considered good	**1,200.56**	1,089.18
Considered doubtful	**21.35**	21.35
	1,221.91	1,110.53
Less: Provision for doubtful debts	**(21.35)**	(21.35)
	1,200.56	1,089.18
Trade receivables includes:		
Debts related to generation of electricity business (See segment reporting note)	**217.78**	61.15

12. CASH AND CASH EQUIVALENTS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Balances with banks		
In current accounts	**558.93**	1,115.46
Cash in hand	**36.64**	19.90
Cheque in hand	**-**	1.86
	595.57	1,137.22

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Other balances		
Earmarked balances with banks for:		
Unpaid dividends #	**12.10**	19.67
Bank deposits *	**328.00**	328.05
	340.10	347.72

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2018

# includes excess deposit due to rounding-off of dividend payable on fractional shares	**0.09**	0.09
*includes as margin money deposit against borrowings from banks	**328.00**	328.00
*under lien against guarantee given for loan taken by the company	**-**	-
*against bank guarantee from bank	**-**	0.05

14. CURRENT FINANCIAL ASSETS - LOANS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated		
Inter-corporate deposits	**-**	100.00

15. CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Interest accrued on fixed deposits	**-**	6.64
Advances recoverable in cash or kind	**2,569.00**	899.93
Others *	**146.91**	-
	2,715.91	906.57

* Recoverable from DBS Bank on account of withholding tax deposited on their behalf

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

16. CURRENT ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	**299.78**	350.77
Balance with statutory authorities	**89.89**	287.51
	389.67	638.28

17. SHARE CAPITAL

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Authorized:		
40,000,000 Equity Shares of Rs. 10 each	**4,000.00**	4,000.00
(40,000,000 Equity Shares of Rs. 10 each as on 31st March, 2017)		
30,000,000 Preference Shares of Rs. 10 each	**3,000.00**	3,000.00
(30,000,000 Preference Shares of Rs. 10 each as on 31st March, 2017)		
Issued, Subscribed and paid-up:		
19,453,229 Equity Shares of Rs. 10 each fully paid up	**1,945.32**	1,945.32
(19,453,229 Equity Shares of Rs. 10 each fully paid up as on 31st March, 2017)		

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning at the end of the year:

Authorized Share Capital	**As at 31-03-2018**		As at 31-03-2017	
	No. of shares	**Rs. (Lakhs)**	No. of shares	Rs. (Lakhs)
(1) Equity Shares				
Balance at the beginning of the year	**4,00,00,000**	**4,000.00**	4,00,00,000	4,000.00
Balance at the end of the year	**4,00,00,000**	**4,000.00**	4,00,00,000	4,000.00
(2) Preference Shares				
Balance at the beginning of the year	**3,00,00,000**	**3,000.00**	3,00,00,000	3,000.00
Balance at the end of the year	**3,00,00,000**	**3,000.00**	3,00,00,000	3,000.00

Issued, subscribed and paid-up capital	**As at 31-03-2018**		As at 31-03-2017	
	No. of shares	**Rs. (Lakhs)**	No. of Shares	Rs. (Lakhs)
(1) Equity Shares				
Balance at the beginning of the year	**1,94,53,229**	**1,945.32**	1,94,53,229	1,945.32
Add: Shares issued during the year	**-**	**-**	-	-
Less: Shares bought back during the year	**-**	**-**	-	-
Balance at the end of the year	**1,94,53,229**	**1,945.32**	1,94,53,229	1,945.32

(b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2018, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2017: Rs. Nil).

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

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

17. SHARE CAPITAL ...contd.

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

	As at 31-03-2018		As at 31-03-2017	
	%	No. of shares	%	No. of shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas promoter entity)	**23.10**	**44,93,145**	23.10	44,93,145
Yans Enterprises (H.K.) Limited, (an overseas promoter entity)	**27.43**	**53,36,880**	27.43	53,36,880
Mr. Shiv Kumar Jatia (Chairman & Managing Director & Promoter)	**13.72**	**26,68,027**	13.72	26,68,027
Asian Holdings Private Limited (a domestic promoter entity)	**8.24**	**16,02,664**	8.24	16,02,664

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

18. OTHER EQUITY

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Capital Reserve		
Opening balance	**1.41**	1.41
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	**1.41**	1.41
Capital Redemption Reserve for redeemed NCPS		
Opening balance	**990.00**	990.00
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	**990.00**	990.00
Securities Premium		
Opening balance	**32,994.83**	32,994.83
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	**32,994.83**	32,994.83
General Reserve		
Opening balance	**8,863.57**	3,531.55
Additions during the financial year	-	5,332.02
Adjusted to FVTOCI reserve on transition to Ind AS		-
Closing balance	**8,863.57**	8,863.57
Tourism Development Utilized Reserve		
Opening balance	-	5,332.02
Additions during the financial year		-
Deductions during the financial year	-	(5,332.02)
Closing balance	-	-
Revaluation Reserve		
Opening balance	**19,074.94**	19,161.71
Additions during the financial year	-	-
Deductions during the financial year	-	(86.77)
Transferred to Surplus of Profit and Loss *	**(19,074.94)**	
Closing balance	-	19,074.94

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

18. OTHER EQUITY ...contd.

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Surplus in Statement of Profit and Loss		
Opening balance	**9,711.68**	11,273.05
Transferred from Revaluation Reserve	**19,074.94**	-
Profit / (loss) during the year	**(242.10)**	(1,561.37)
Closing balance	**28,544.52**	9,711.68
Fair Value through Other Comprehensive Income [FVTOCI] Reserve		
Opening balance	**501.34**	466.65
Additional depreciation on account of re-valuation	**-**	86.77
Adjusted from surplus in statement of profit and loss		
- Re-measurement gains / (losses) on employee benefits	**32.73**	(52.08)
Deductions during the financial year	**-**	-
Closing balance	**534.07**	501.34
Total of other equity - as at 31st March, 2018	**71,928.40**	72,137.77

* As per Ind AS requirements, the balance lying in revaluation reserve account has been transferred.

19. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Secured Term Loans		
From Banks		
External commercial borrowings		
DBS Bank Limited	**20,151.21**	32,469.35
USD 309.80 Lakhs (Previous Year USD 500.77 Lakhs)		
Other Term Loans		
Axis Bank Limited-Rupee loan	**-**	15,652.69
Bank of Maharashtra - Rupee Loan	**23,898.14**	24,141.00
Yes Bank Limited-Rupee loan	**15,624.13**	16,974.86
Punjab National Bank	**14,619.91**	-
IndusInd Bank	**10,000.00**	-
	84,293.39	89,237.90
Less: Adjustment of transaction costs as per Ind AS 109	**(2,208.13)**	(2,447.95)
	82,085.26	86,789.95
Kotak Mahindra Bank Limited-Rupee loan	**-**	887.31
ICICI Bank Limited- Rupee loan	**141.01**	131.26
HDFC Bank Limited- Rupee loan	**35.24**	48.80
From Financial Institution		
SREI Equipment Finance Ltd - Equipment Loan	**63.69**	96.92
Genesis Finance Company Limited - Rupee loan *For business of generation of electricity (Refer Note on Segment Reporting)*	**447.33**	-
For acquisition of /secured against vehicles		
Kotak Mahindra Prime Limited - Rupee loan	**293.29**	266.83
Toyota Financial Services - Rupee loan	**30.52**	11.60
	83,096.34	88,232.67

Nature of security and terms of repayment for secured current financial liabilities-borrowings:

(a) DBS Bank Limited -External commercial borrowings (carried interest @ 3.25% p.a. plus LIBOR) are secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

19. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

Company's investment in foreign subsidiary company. External commercial borrowings are repayable as under: (i) USD 148.97 Lakhs is payable in 18 unequal half yearly installments till March, 2030; (ii) USD 160.83 Lakhs is payable in 11 unequal half yearly installments till March, 2030.

(b) Axis Bank Limited - Rupee Term loan (carried interest @ 11.70% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi; first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in unequal 40 quarterly installments till March, 2030. The loan has been repaid during the year through re-financing by Punjab National Bank (PNB).

(c) Kotak Mahindra Bank Limited - Rupee loan (carried interest @ 11.00% per annum) is secured by exclusive charge mortgage on 3000 sq. ft. of sixth floor of New Tower Block A in Hyatt Regency Delhi and personal guarantee of Chairman and Managing Director, repayable in 38 unequal monthly installments, up to May 2020. The loan has been repaid in full during the year.

(d) Yes Bank Limited - Rupee loan of Rs. 4,651.36 Lakhs (carried interest @ 10.50% - 10.55% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 34 unequal quarterly installments till July, 2030.

(e) Yes Bank Limited - Rupee loan of Rs. 10,972.78 Lakhs (carried interest @ 10.95% - 11.50% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 36 unequal quarterly installments till December, 2030.

(f) Bank of Maharashtra (Term Loan I) of Rs. 19,775 Lakhs (carried interest @ 10.85% - 10.95% per annum) - is secured by 1st pari passu charge on land and building of Hotel Hyatt Regency and personal guarantee of the Chairman & Managing Director. The loan is payable in 48 unequal quarterly installments commencing October, 2018.

(g) Bank of Maharashtra (Term Loan II) of Rs. 4,366 Lakhs (carried interest @ 10.85% - 10.95% per annum) - is secured by 1st pari passu charge on land and building of Hotel Hyatt Regency and personal guarantee of the Chairman & Managing Director. The loan is payable in 48 unequal quarterly installments commencing October, 2018.

(h) Indusind Bank Limited - Rupee loan of Rs. 10,000 Lakhs (carried interest @ 9.50% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 18 unequal half yearly installments till March, 2030.

(i) Punjab National Bank - Rupee loan of Rs. 14,619.91 Lakhs (carried interest @ 9.25% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 36 structured quarterly installments till March, 2030.

(j) Genesis Finance Company Limited - Rupee loan for business of generation of electricity (carried interest @ 12.00% per annum) is secured by first charge on plant & machinery pertaining to the windmill situated at Sinner in Maharashtra and personal gaurantee of Chairman & Managing Director. The loan is repayable in 99 unequal monthly installments up to October 2027.

(k) ICICI Bank-Rupee loan (carried interest @ 9.84% per annum) is secured against hypothecation of 8 vehicles. Balance repayable in monthly installments up to December, 2020.

(l) ICICI Bank-Rupee loan (carried interest @ 9.35% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to June, 2021.

(m) ICICI Bank-Rupee loan (carried interest @ 8.51% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2021.

(n) ICICI Bank-Rupee loan (carried interest @ 8.02% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2022.

(o) ICICI Bank-Rupee loan (carried interest @ 8.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2022.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

19. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

(p) ICICI Bank-Rupee loan (carried interest @ 8.01% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2022.

The aggregate values of the vehicle loans from ICICI Bank aggregate to Rs. 196.61 Lakhs.

(q) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carried interest @ 10.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to December 2018.

(r) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.25% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to May 2020.

(s) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to February 2021.

(t) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.48% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to February 2020.

(u) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to October 2019.

(v) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 11.89% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to November, 2019.

(w) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 8.60% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to March 2022.

(x) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.33% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to May 2022.

(y) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 7.78% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to November 2022.

The aggregate values of the vehicle loans outstanding from Kotak Mahindra Prime Ltd aggregates to Rs. 472.35 Lakhs

(z) BMW Financial Services - Rupee loan of Rs. 2.57 Lakhs for acquisition of vehicles (carried interest @ 12.21% per annum) was secured against hypothecation of certain vehicles. The loan has been fully repaid during the year.

(aa) SREI Equipment Finance Ltd - Rupee Loan of Rs. 96.92 Lakhs for acquisition of equipment (carried interest @ 14.25% per annum) is secured against the power saving equipment acquired from the loan. Balance is payable in equal monthly installments up to October, 2020 starting from December, 2015.

(ab) HDFC Bank Ltd - Rupee loan of Rs. 48.80 Lakhs for acquisition of a vehicle (carried interest @ 11.00% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to May 2021.

(ac) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 9.05% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to June 2021.

(ad) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 7.74% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to October 2022.

The details of repayment of long term borrowings as at 31st March, 2018 are as follow:

Particulars	Up to 1 year (Rs. In Lakhs)	2 to 5 years (Rs. In Lakhs)	Above 5 years (Rs. In Lakhs)	Total (Rs. In Lakhs)
Secured term loans				
From banks	312.03	15,500.71	68,968.93	84,781.67
From financial institution	220.68	532.49	302.34	1,055.51
	532.71	**16,033.20**	**69,271.27**	**85,837.18**

20. NON - CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Security Deposits	**1,827.30**	1,724.98
	1,827.30	1,724.98

The above includes Rs. 178.22 Lakhs (Previous Year Rs. 177.33 Lakhs) received as refundable interest free security deposits against leave and license agreements relating to the shops in Hotel Hyatt Regency and Rs. 1,500 Lakhs (Previous Year Rs. 1,500 Lakhs) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

21. NON - CURRENT PROVISIONS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	**330.82**	335.10
Leave Encashment	**105.82**	88.44
	436.64	423.54

22. CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Secured		
From Banks		
Other Term Loans		
Bank of Maharashtra - Rupee Loan	**242.86**	-
Kotak Mahindra Bank Limited-Rupee loan	**-**	336.90
For acquisition of /secured against vehicles		
ICICI Bank Limited- Rupee loan	**55.61**	38.71
HDFC Bank Limited- Rupee loan	**13.56**	12.11
Overdraft Facilities		
Yes Bank Limited	**2,760.25**	3,399.84
Axis Bank Limited	**1,283.23**	1,005.19
IndusInd Bank	**264.91**	-
	4,620.42	4,792.75
From Financial Institution		
SREI Equipment Finance Ltd - Equipment Loan	**33.22**	28.68
For acquisition of /secured against vehicles		
Kotak Mahindra Prime Limited - Rupee loan	**179.06**	132.68
Toyota Financial Services - Rupee loan	**8.40**	2.94
BMW Financial Services - Rupee loan	**-**	2.58
	220.68	166.88
Unsecured		
Others		
Intercorporate Loans (carry interest @ 10% to 17%)	**1,635.00**	1,545.00
	1,635.00	1,545.00
	6,476.10	6,504.63

Nature of security and terms of repayment for secured current financial liabilities-borrowings:

(a) DBS Bank Limited -Overdraft facilities (carried interest @ 12.00% per annum) and was secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The overdraft facility has been withdrawn during the year.

(b) Yes Bank Limited -Overdraft facilities (carried interest @ 11.50% - 11.75% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets, personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company.

(c) Axis Bank Limited - Overdraft facilities (carried interest @ 11.40% per annum) and is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

22. CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director, pledge of shares representing Company's investment in foreign subsidiary company.

(d) Indusind Bank Limited - Overdraft facilities (carried interest @ 9.50% per annum) and is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director, pledge of shares representing Company's investment in foreign subsidiary company.

23. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Due to micro and small enterprises	**-**	-
Due to other than micro and small enterprises	**4,742.45**	4,121.43
	4,742.45	4,121.43

The disclosure pursuant to the said Act is as under:

DISCLOSURE UNDER MSMED ACT, 2006	**2017-18 (Rs. In Lakhs)**	2016-17 (Rs. In Lakhs)
(a) Principal amount due to suppliers under MSMED Act, 2006	**-**	-
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	**-**	-
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	**-**	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	**-**	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	**-**	-
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	**-**	-
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under	**-**	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

24. CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2018 (Rs. In Lakhs)	**As at** 31-03-2017 (Rs. In Lakhs)
Security deposits	**63.26**	51.95
Interest accrued but not due on borrowings	**878.69**	1,237.07
Payables for capital goods	**170.88**	198.43
Employee Dues	**320.83**	521.28
Other payables	**108.04**	148.38
Unpaid/unclaimed dividend	**12.01**	19.58
	1,553.71	2,176.69

25. OTHER CURRENT LIABILITIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Advance from customers *	**5,093.47**	1,816.48
Statutory liabilities	**1,546.45**	1,690.73
Other liabilities	**2,220.20**	2,041.46
	8,860.12	5,548.67

* Advance from customers include advance received upon execution of agreement to sale related to apartments amounting to Rs. 4,235.78 Lakhs (Previous year ended March 31, 2017: Rs. 897.25 Lakhs)

26. SHORT TERM PROVISIONS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	**243.33**	242.83
Leave Encashment	**11.25**	10.17
	254.58	253.00

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

27. REVENUE FROM OPERATIONS

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Room income	**10,182.91**	10,583.60
Wines and liquor	**3,310.13**	2,188.81
Food, other beverages, smokes and banquets	**9,774.44**	8,789.46
Communications	**22.20**	38.87
Others*	**4,154.29**	3,518.09
	27,443.97	25,118.83
*Includes related to generation of electricity business	**226.54**	265.79

28. OTHER INCOME

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Interest Received/Receivable		
From banks	**26.06**	56.14
From others	**17.61**	6.23
Excess provisions / credit balances no longer required written back	**120.50**	406.59
Net gain on sale of fixed assets	**2,328.03**	430.15
Net gain on foreign currency transaction and translation (other than finance cost)	**37.30**	9.90
Miscellaneous income *	**581.46**	67.41
	3,110.96	976.42

* Miscellaneous Income includes income from derivative transactions amounting to Rs. 462.56 Lakhs (Previous year : NIL)

29. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
WINES AND LIQUOR		
Opening Stock	**526.04**	378.24
Add : Purchases	**1,206.35**	997.12
	1,732.39	1,375.36
Closing Stock	**(550.41)**	(526.04)
	1,181.98	849.32
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	**154.64**	151.52
Add : Purchases	**2,484.70**	2,263.52
	2,639.34	2,415.04
Closing Stock	**(189.15)**	(154.64)
	2,450.19	2,260.40
Excise duty expense	**9.57**	35.97
	3,641.74	3,145.69
Percentage of total consumption between:		
Indigenous 63.99% (Previous Year 76.77%)	**2,324.37**	2,387.33
Imported 36.01% (Previous Year 23.23%)	**1,307.80**	722.39

30. EMPLOYEE BENEFITS EXPENSES

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Salaries and wages	**4,640.33**	4,187.78
Contribution to provident and other funds	**224.93**	218.27
Contract labour and services	**1,051.22**	871.14
Staff welfare expense	**450.59**	450.08
Recruitment and training	**25.27**	40.40
	6,392.34	5,767.67

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

31. FINANCE COSTS

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Interest expenses	**8,732.24**	9,207.04
Other borrowing costs (including bank charges)	**1,118.24**	466.18
Applicable net loss / (gain) on foreign currency transactions and translation {Refer Note 3.10 on borrowing costs}	**(18.36)**	226.99
	9,832.12	9,900.21

32. OTHER EXPENSES

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	**1,073.00**	950.54
Operating equipment and supplies written off	**168.46**	291.19
Power, fuel and light (net)	**1,658.37**	1,465.16
Repairs, maintenance and refurbishing *	**914.00**	857.52
Rent	**472.03**	173.88
Rates and taxes	**374.48**	208.87
Insurance	**90.00**	99.35
Data processing charges	**268.87**	187.84
Legal and professional charges	**481.49**	409.24
Payment to the auditors**	**38.97**	39.62
Stationery and printing	**97.09**	105.82
Travelling and conveyance	**353.77**	229.84
Guest transportation	**189.75**	183.47
Communication (including telephones for guests)	**182.85**	145.54
Technical services	**992.04**	1,007.51
Advertisement, publicity and business promotion	**445.48**	507.12
Commission and brokerage	**960.69**	865.13
Charity and donation	**5.51**	4.97
Corporate Social Responsibility (Refer Note 39)	**-**	-
Bad debts / advances written off	**-**	28.87
Provision for doubtful debts / advances	**35.98**	32.07
Miscellaneous	**164.74**	106.34
	8,967.57	7,899.89
* includes:		
Repairs to buildings	**218.80**	207.24
Repairs to machinery	**537.91**	472.02
**Payments to the auditors for (including taxes)		
- statutory audit	**29.50**	28.75
- tax audit fee	**4.72**	4.60
- limited review fees	**3.54**	3.45
- certification work	**0.12**	1.01
- out of pocket expenses	**1.09**	1.81
	38.97	39.62

33. EARNINGS PER EQUITY SHARE

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Profit/(loss) available for equity shareholders	**(242.10)**	(1,561.37)
Weighted average numbers of equity shares outstanding	**1,94,53,229**	1,94,53,229
Nominal value per equity share (in Rupees)	**10.00**	10.00
Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	**(1.24)**	(8.03)

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

34. CONTINGENT LIABILITIES AND COMMITMENTS		As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
(a)	Claims against the Company not acknowledged as debts *	**20.00**	20.00
	* pertains to cases filed by certain employees of the Company.		
(b)	Service tax demand not provided for *	**254.53**	254.53
	* pertains to a demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs which includes penalty demand of Rs. 250.00 Lakhs and excluding interest for earlier years up to 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi on 11th March 2014. Since the Company had already deposited the service tax payable, as determined by the tax authorities, before issuance of the show cause notice for levy of the penalty, it is contesting before the above appellate authorities that it is not liable to pay any penalty and interest.		
(c)	Additional bonus liability for the financial year 2014-15 owing to amendment made in "The Payment of Bonus Act, 1965" w.r.e.f. 1st April, 2014, has not been provided for as the matter is subjudice before various High Courts in the country.	**-**	-
(d)	Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, and the Company has been made one of the respondents. The same relative has also filed a consumer complaint/petition, before the National Consumer Dispute Redressal Commission (NCDRC), against the Hyatt Hotels Corporation, Chicago and Hotel Hyatt Regency, Delhi, seeking compensation for the above injured person on various counts. Any consequence on the outcome of the above writ petition and the Consumer complaint before the NCDRC can not be ascertained.	**-**	-
(e)	Based on enquiries made by Department of Revenue Intelligence ('DRI'), the Director General of Foreign Trade, New Delhi ('DGFT') had issued a notice dated 15.12.2017 for recovery of benefits of Duty Free Credit Scripts (DFC's) under Served From India Scheme ('SFIS') announced through Foreign Trade Policies of 2004-09 and 2009-14. The Company has disputed the said recovery notice by way of a WRIT petition in the Delhi High Court and has obtained a stay, and the matter is pending adjudication. Thereafter, the DRI, Ahmedabad Unit issued a Show Cause Notice ('SCN') dated 10.01.2018 for recovery of customs duty saved by the Company using above DFC's. The Company has appropriately replied to the above SCN. In a similar matter, the Supreme Court has admitted a Special Leave Petition which is also pending adjudication	**-**	-

Notes:

(a) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters stated above, pending resolution of the proceedings.

COMMITMENTS

			31-03-2018	31-03-2017
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for:		**277.24**	77.04
(b)	Future commitments in respect of assets acquired under Finance Schemes:			
	Minimum installments	payable within one year	**363.92**	294.79
		later than one year but not later than five years	**631.00**	636.69
	Present value of minimum installments	payable within one year	**289.85**	217.70
		later than one year but not later than five years	**563.75**	555.40

35. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 17 LEASES OPERATING LEASE COMMITMENS			As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
(a)	Future minimum lease amounts receivable by the Company in respect of non-cancellable operating leases (other than land) for shops and apartments entered into by the Company:			
		Not later than one year	**66.12**	103.71
		Later than one year and not later than five years	**134.69**	118.13
		More than five years	**-**	-
(b)	Future minimum lease amounts payable by the Company in respect of non-cancellable operating leases (other than land) for other services (including rented premises) entered into by the Company :			
		Not later than one year	**532.68**	309.32
		Later than one year and not later than five years	**2,850.63**	622.77
		More than five years	**3,511.86**	323.96

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

36. SEGMENT REPORTING

The Company operates only in one reportable segment, i.e. Hospitality/Hotel Business at one location, namely New Delhi (India). The other business segment, i.e. power generation, though governed by different sets of risks and returns, however, is not a reportable segment as defined under the Indian Accounting Standard Ind AS - 108 "Operating Segments", and therefore, no separate disclosures have been made. The assets, liabilities and revenues relating to the said power generation business have, however, been disclosed in the accounts separately. The above treatment is in accordance with the guiding principles enunciated in the said Ind AS.

37. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

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

(a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 198.63 Lakhs (Previous Year Rs. 197.56 Lakhs)

(b) Defined benefit plans

- Gratuity
- Compensated absences - Earned leave

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

Economic Assumptions

The discount rate and salary increases assumed are the 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. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 7.71% p.a. (Previous Year 7.50% 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 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.

The assumptions used are summarized in the following table:

	Gratuity (Unfunded)		**Compensated Absences Earned Leave (Unfunded)**	
	As at 31-03-2018	As at 31-03-2017	**As at 31-03-2018**	As at 31-03-2017
Discount rate(per annum)	**7.71%**	7.50%	**7.71%**	7.50%
Future salary increase	**5.00%**	5.00%	**5.00%**	5.00%
Expected rate of return on plan assets	**NA**	NA	**NA**	NA
Mortality Rates	**100% of IALM (2006 - 08)**	100% of IALM (2006 - 08)	**100% of IALM (2006 - 08)**	100% of IALM (2006 - 08)
Retirement age	**58 Years**	58 Years	**58 Years**	58 Years
Withdrawal rates				
- Up to 30 years	**3.00%**	3.00%	**3.00%**	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

37. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS ...contd.

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Change in present value of the defined benefit obligation during the year				
Present value of obligation as at the beginning of the year	**577.93**	515.15	**98.61**	101.06
Interest Cost	**43.34**	41.21	**7.39**	8.08
Current Service Cost	**47.86**	39.27	**29.85**	21.32
Benefits Paid	**(62.27)**	(69.78)	**(42.34)**	(34.46)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(5.48)**	13.24	**(2.38)**	4.57
Actuarial (Gain)/Loss on arising from Experience Adjustment	**(27.25)**	38.85	**25.92**	(1.96)
Present value of obligation as at the end of the year	**574.13**	577.93	**117.05**	98.61
Change in fair value of plan assets during the year				
Fair Value of plan assets at the beginning of the year	**NA**	NA	**NA**	NA
Interest Income	**NA**	NA	**NA**	NA
Contributions by the employer	**NA**	NA	**NA**	NA
Benefits paid	**NA**	NA	**NA**	NA
Return on plan assets	**NA**	NA	**NA**	NA
Fair Value of plan assets at the end of the year	**NA**	NA	**NA**	NA
Net Asset/ (Liability) recorded in the Balance Sheet				
Present value of obligation as at the end of the year	**(574.13)**	(577.93)	**(117.05)**	(98.61)
Net Asset/ (Liability)-Current	**(243.33)**	(242.83)	**(11.25)**	(10.17)
Net Asset/ (Liability)-Non-Current	**(330.82)**	(335.10)	**(105.82)**	(88.44)
Expenses recorded in the Statement of Profit & Loss during the year				
Interest Cost	**43.34**	41.21	**7.39**	8.08
Current & Past Service Cost	**47.86**	39.27	**29.85**	21.32
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**-**	-	**(2.38)**	4.57
Actuarial (Gain)/Loss on arising from Experience Adjustment	**-**	-	**25.92**	(1.96)
Total expenses included in employee benefit expenses	**91.20**	80.48	**60.78**	32.02
Recognized in Other Comprehensive Income during the year				
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(5.48)**	13.24	**-**	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	**(27.25)**	38.85	**-**	-
Recognized in Other Comprehensive Income	**(32.73)**	52.08	**-**	-
Maturity profile of defined benefit obligation				
Within 12 months of the reporting period	**243.33**	242.83	**11.25**	10.17
Between 2 and 5 years	**68.21**	40.43	**12.24**	13.83
Between 6 and 10 years	**262.62**	294.67	**93.58**	74.61
Quantitative sensitivity analysis for significant assumption is as below:				
Increase/ (decrease) on present value of defined benefit obligation at the end of the year				
Half percentage point increase in discount rate	**(12.78)**	13.43	**(5.33)**	(4.57)
Half percentage point decrease in discount rate	**13.69**	14.40	**5.81**	4.97
Half percentage point increase in salary increase rate	**13.99**	14.68	**5.94**	5.07
Half percentage point decrease in salary increase rate	**13.16**	(13.80)	**(5.48)**	(4.69)

Expected contribution to the defined benefit plan for the next reporting period

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

37. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS ...contd.

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Expected contribution to the defined benefit plan for the next reporting period (Gratuity)	**167.78**	81.77
"Expected contribution to the defined benefit plan for the next reporting period (Compensated Absences Earned Leave)"	**85.66**	32.23

38. CORPORATE SOCIAL RESPONISIBILITY

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), the Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits determined under section 198 of the Companies Act 2013 during the immediately three financial years. However, due to inadequacy of profits as per Section 198 of the Companies Act, 2013, the company is not required to spend any amount on CSR activities for Financial Year 2017-18.

Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. NIL)

39. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
(a) Value of imports calculated on CIF basis		
Food and beverages	**224.61**	130.11
Stores and spares	**101.30**	40.61
Capital goods	**270.95**	360.91
Beverages - through canalising agencies	**1,138.49**	719.97
(b) Expenditure in foreign currency	**-**	-
Technical services (Royalty)	**61.13**	128.97
Technical services (Professional and consultation fees)	**105.10**	306.16
Interest	**1,318.02**	1,522.55
Others		
- Advertisement and publicity	**103.40**	56.52
- Commission and brokerage	**267.98**	166.06
- Recruitment and training	**-**	-
- Miscellaneous	**539.56**	152.53
(c) Earning in foreign currency		
Revenue from operations (As reported by the management of the Company and certified by an independent Chartered Accountant)	**13,247.27**	14,788.97
(d) Details of dividends paid to Non-Resident Shareholders holding shares on repatriation basis:		
Final Dividend - Equity		
(i) Financial Year to which dividend relates	**-**	-
(ii) Number of non-resident shareholders	**-**	-
(iii) Number of shares held by them	**-**	-
(iv) Rupees (in Lakhs) equivalent of amount paid in foreign currency	**-**	-
(v) Amount in Rupees (in Lakhs) remitted to banks /addresses in India for which the company does not have information as to the extent to which remittance in foreign currencies have been made by or on behalf of the non-resident shareholders	**-**	-

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

40. DERIVATIVE INSTRUMENTS

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2018 and 31st March, 2017 are as under:

	As at 31st March, 2018		As at 31st March, 2017	
	Foreign Currency	**(Rs. In Lakhs)**	Foreign Currency	(Rs. In Lakhs)
Receivables				
Loans and advances given				
(in USD)	**1,65,465**	**107.63**	63,345	41.07
(in EURO)	**-**	**-**	1,21,243	83.96
Investment in CRPS (in USD)	**1,01,93,679**	**6,630.39**	1,01,93,679	6,609.44
Payables				
Trade payables				
(in USD)	**36,76,458**	**2,391.32**	30,34,698	1,967.66
Payable for capital goods				
(in USD)	**15,980**	**10.39**	-	-
(in SEK)	**28,667**	**2.24**	28,667	2.08
External Commercial Borrowings (ECBs)				
(in USD)	**3,09,80,836**	**20,151.21**	5,00,77,191	32,469.35
Interest on ECBs				
(in USD)	**7,69,738**	**500.67**	10,44,866	677.48

41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

(a) Related Parties

- Subsidiaries	Fineline Hospitality & Consultancy Pte Limited Lexon Hotel Ventures Limited Leading Hotels Limited	
- Key Management Personnel	Mr. Shiv Kumar Jatia	Chairman & Managing Director
	Ms. Anita Thapar	Whole Time Director
	Mr. Amritesh Jatia	Non-Executive Director
	Mr. Dipendra B Goenka	Non-Executive Director
	Mr. Dinesh Kumar Jain	Company Secretary
	Mr. Lalit Bhasin	Independent Director
	Mr. Dinesh Chandra Kothari	Independent Director
	Mr. Pinaki Misra	Independent Director
	Mr. Ranjan Kishore Bhattacharya	Independent Director
	Mr. Prakash Chandra Sharma	Chief Financial Officer
- Relative of Key Management Personnel	Mr. Amritesh Jatia	Director and son of Mr. Shiv Kumar Jatia
	Mrs. Archana Jatia	Wife of Mr. Shiv Kumar Jatia
	Mr. Ramesh Jatia	Brother of Mr. Shiv Kumar Jatia
- Entities controlled by Directors or their relatives (with whom transactions entered into during the financial year)	Ascent Hotels Private Limited Bhasin & Co. Binaguri Tea Company Private Limited Energy Infrastructure (I) Limited Magus Estates & Hotels Limited Godfrey Philips India Limited	

(b) Transactions with related parties:

	Subsidiaries		**Key Management Personnel and their relatives**		**Entities controlled by Directors or their relatives**		**Total**	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
	(Rs. In Lakhs)	(Rs. In Lakhs)	**(Rs. In Lakhs)**	(Rs. In Lakhs)	**(Rs. In Lakhs)**	(Rs. In Lakhs)	**(Rs. In Lakhs)**	(Rs. In Lakhs)
Room, Food, Beverages and other services	**7.02**	29.47	**32.10**	-	**0.17**	2.62	**39.29**	32.09
Remuneration	**-**	-	**338.13**	293.01	**-**	-	**338.13**	293.01
Professional Charges	**-**	-	**-**	-	**4.38**	4.53	**4.38**	4.53
Director's Sitting fees	**-**	-	**16.80**	0.40	**-**	-	**16.80**	0.40

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24 ...contd.

Balance Outstanding

	Payable		Receivable	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Subsidiaries	**-**	-	**7.02**	-
Key Management Personnel and their relatives	**147.66**	147.66	**7.02**	-
Entities controlled by Directors or their relatives	**-**	0.10	**-**	0.14
Total	**147.66**	147.76	**14.04**	0.14

Note:

(i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

(ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

(c) Disclosure in respect of related party-wise transactions

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Room, Food, Beverages and other services		
Leading Hotels Limited	**7.02**	29.47
Energy Infrastructure (I) Limited	**-**	0.14
Bhasin & Co.	**0.17**	0.16
Mr. Dinesh Kumar Jain	**0.08**	0.02
Godfrey Philips India Limited	**-**	2.31
Mr. Pinaki Misra	**32.02**	-
Remuneration		
Mr. Shiv Kumar Jatia*	**198.14**	181.12
Ms. Anita Thapar*	**23.39**	21.56
Mr. Dinesh Kumar Jain	**49.70**	50.37
Mr. Prakash Chandra Sharma	**66.90**	39.96
Professional Charges		
Bhasin & Co.	**4.38**	4.53
Director's Sitting fees		
Mr. Ranjan Kishore Bhattacharya	**4.80**	0.40
Mr. Lalit Bhasin	**6.80**	4.00
Mr. Pinaki Misra	**3.20**	0.60
Mr. Dinesh Chandra Kothari	**2.00**	1.60
Mr. Amritesh Jatia	**-**	0.20
Mr. Dipendra B Goenka	**-**	0.20

Balance Outstanding

	Payable		Receivable	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Leading Hotels Limited	**-**	-	**7.02**	-
Energy Infrastructure (I) Limited	**-**	-	**-**	0.14
Bhasin & Co.	**-**	0.10	**-**	-
Mr. Shiv Kumar Jatia	**112.36**	112.36	**-**	-
Mr. Amritesh Jatia	**8.13**	8.13	**-**	-

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24 ...contd.

	Payable		Receivable	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Mr. Ramesh Jatia	**1.89**	1.89	**-**	-
Mr. Raj Kumar Jatia	**8.61**	8.61	**-**	-
Mr. Dinesh Chandra Kothari	**8.13**	8.13	**-**	-
Mr. Dipendra B Goenka	**0.05**	0.05	**-**	-
Mr. Pinaki Misra #	**-**	-	**7.02**	-
Mr. Lalit Bhasin	**8.49**	8.49	**-**	-

Note: The above transactions excludes changes due to exchange rate fluctuation.
* These include Provident Fund paid / payable by the employer.
# Amounts have been subseqently paid

42. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

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

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

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

I. Figures as at March 31, 2018

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non Current Assets									
Financial Assets									
(i) Investments	-	142.54	142.54	56,164.41	56,306.95	-	-	142.54	142.54
(ii) Loans	-	-	-	26.83	26.83	-	-	26.83	26.83
(iii) Others	-	-	-		-	-	-	-	-
Current Assets									
Financial Assets									
(i) Trade Receivables	-	-	-	1,200.56	1,200.56	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	595.57	595.57	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	340.10	340.10	-	-	-	-
(iv) Loans	-	-	-	-	-	-	-	-	-
(v) Others	-	-	-	2,715.91	2,715.91	-	-	-	-
	-	**142.54**	**142.54**	**61,043.38**	**61,185.92**	**-**	**-**	**169.37**	**169.37**

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

42. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS ...contd.

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	83,096.34	83,096.34	-	-	-	-
(ii) Others	-	-	-	1,827.30	1,827.30	-	-	1,827.30	1,827.30
Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	6,476.10	6,476.10	-	-	-	-
(ii) Trade Payables	-	-	-	4,742.45	4,742.45	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	1,553.71	1,553.71	-	-	-	-
	-	**-**	**-**	**97,695.90**	**97,695.90**	**-**	**-**	**1,827.30**	**1,827.30**

II. Figures as at March 31, 2017

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non Current Assets									
Financial Assets									
(i) Investments	-	-	-	1,18,554.67	1,18,554.67	-	-	-	-
(ii) Loans	-	-	-	18.90	18.90	-	-	18.90	18.90
(iii) Others	-	-	-	145.59	145.59	-	-	-	-
Current Assets									
Financial Assets									
(i) Trade Receivables	-	-	-	1,089.18	1,089.18	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	1,137.22	1,137.22	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	347.72	347.72	-	-	-	-
(iv) Loans	-	-	-	100.00	100.00	-	-	-	-
(v) Others	-	-	-	906.57	906.57	-	-	-	-
	-	**-**	**-**	**1,22,299.85**	**1,22,299.85**	**-**	**-**	**18.90**	**18.90**
Non Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	88,232.67	88,232.67	-	-	-	-
(ii) Others	-	-	-	1,724.98	1,724.98	-	-	1,724.98	1,724.98
Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	6,504.63	6,504.63	-	-	-	-
(ii) Trade Payables	-	-	-	4,121.43	4,121.43	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	2,176.69	2,176.69	-	-	-	-
	-	**-**	**-**	**1,02,760.40**	**1,02,760.40**	**-**	**-**	**1,724.98**	**1,724.98**

During the reporting period ending March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...contd.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in it total portfolio.

The company is not exposed to significant interest rate risk as at the specified reporting date.

Refer Note 19 and Note 22 for interest rate profile of the Company’s interest-bearing financial instrument at the reporting date.

Foreign currency risk

The Company operates locally, however, the nature of its operations requires it to transact in in several currencies and consequently the Company is exposed to foreign exchange risk in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

I. Foreign Currency Exposure

Refer Note 41 for foreign currency exposure as at March 31, 2018 and March 31, 2017 respectively.

II. Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

Currency	**2017-18**		2016-17	
	1% Increase	**1% Decrease**	1% Increase	1% Decrease
USD	**(163.16)**	**163.16**	(284.64)	284.64
Euro	**-**	**-**	0.84	(0.84)
GBP	**-**	**-**	-	-
SGD	**-**	**-**	-	-
SEK	**(0.02)**	**0.02**	(0.02)	0.02
Total	**(163.18)**	**163.18**	(283.82)	283.82

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the company compares the risk of a default occurring an the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

(i) Actual or expected significant adverse changes in business,

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to mere its obligation,

(iv) Significant increase in credit risk on other financial instruments of the same counterparty.

(v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorizes a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...contd.

I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

(Rs. In lakhs)

Particulars	As at 31-03-2018	As at 31-03-2017
Non-current financial assets - Loans	**26.83**	18.90
Current financial assets - loans	**-**	100.00
Total (A)	**26.83**	118.90

II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

Particulars	As at 31-03-2018	As at 31-03-2017
Trade Receivables	**1,200.56**	1,089.18
Total (A)	**1,200.56**	1,089.18
Grand Total (A+B)		

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

(Rs. In lakhs)

Particulars	As at 31-03-2018	As at 31-03-2017
Up to 3 months	**616.82**	320.10
3 to 6 months	**128.25**	292.44
More than 6 months	**347.47**	476.64
Total	**1,092.54**	1,089.18

IV. Provision for expected credit losses again "II" and "III" above

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	**As at 31-03-2018**			As at 31-03-2017		
	Less than 1 year	**1 to 5 years**	**Total**	Less than 1 year	1 to 5 years	Total
Non-current financial liabilities - Borrowings	**-**	**83,096.34**	**83,096.34**	-	88,232.67	88,232.67
Non-current financial liabilities - Others	**-**	**1,827.30**	**1,827.30**	-	1,724.98	1,724.98
Current financial liabilities - Borrowings	**6,476.10**	**-**	**6,476.10**	6,504.63	-	6,504.63
Current financial liabilities - Trade Payables	**4,742.45**	**-**	**4,742.45**	4,121.43	-	4,121.43
Current financial liabilities - Others	**1,553.71**	**-**	**1,553.71**	2,176.69	-	2,176.69
Total	**12,772.26**	**84,923.64**	**97,695.90**	12,802.75	89,957.65	1,02,760.40

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...contd.

Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	**As at 31-03-2018**	As at 31-03-2017
Total Debt	**89,572.44**	94,737.30
Equity	**73,873.72**	74,083.09
Capital and net debt	**1,63,446.16**	1,68,820.39
Gearing ratio	**54.80%**	56.12%

44. Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped or reclassified to confirm to Ind AS presentation requirements.

The accompanying notes are integral part of the financial statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
Partner
Membership Number: 014427

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of
Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

FORM AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

Name of Subsidiary	Fineline Hospitality & Consultancy Pte Ltd		Lexon Hotel Ventures Limited		Leading Hotels Limited
Date since acquired	**18.10.2010**		**29.01.2013**		**29.01.2013**
	INR in Lakhs	USD in Lakhs	INR in Lakhs	USD in Lakhs	INR in Lakhs
1. Reporting Period	31st March, 2018		31st March, 2018		31st March, 2018
2. Share Capital	67,964.10	1,044.89	1.07	0.02	2,087.69
3. Other Equity	(2,964.34)	(45.57)	12,594.73	193.63	7,756.23
4. Total Assets	65,045.82	1,000.03	13,410.11	206.17	36,207.96
5. Total Liabilities	46.06	0.71	814.30	12.52	26,364.04
6. Investments	65,044.10	1,000.00	13,335.77	205.03	0.00
7. Turnover	0.00	0.00	0.00	0.00	0.00
8. Profit / (Loss) before taxation	(5.21)	(0.08)	(74.87)	(1.16)	(84.43)
9. Provision for taxation	0.00	0.00	0.00	0.00	0.00
10 Profit / (Loss) after taxation	(5.21)	(0.08)	(74.87)	(1.16)	(84.43)
11. Total Comprehensive Income		(0.08)		(1.16)	(82.57)
12. Proposed Dividend	-	-	-	-	-
13. % of shareholdings	100.00		80.00		79.81

Notes:

i) Converted into Indian Rupees at the closing exchage rate USD 1 = INR 65.0441 and average rate USD 1 = INR 64.4474

ii) These Financial statements of Subsidiaries (other than Leading Hotels Limited) have not been been audited by the auditors of the Company, i.e, Dhirubhai Shah & Doshi. The same have been audited by other auditors.

iii) Leading Hotels Limited is developing an all villa hotel complex, including an 18 hole golf course at Goa and has yet to commence operation.

iv) The Company has not divested its interest in any subsidiary during the year under review.

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of
Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs
& Company Secretary
Membership Number: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Asian Hotels (North) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Asian Hotels (North) Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated balance sheet as at 31st March 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows, and consolidated changes in equity of the Holding Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Holding Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

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

Opinion

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

Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated financial statements:

Refer Note 35(d), 35(e) and 35(f) to the consolidated financial statements which, describe the uncertainty related to the outcome of certain disputes and law-suits filed against the companies of the Group. The impact (if any) of these disputes/law-suits on the consolidated financial statements of the Group could not be ascertained.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements / consolidated financial statements of the subsidiaries, whose financial statements / consolidated financial statements reflect total assets of Rs. 54,432.34 Lakhs as at 31st March, 2018 and total revenue of Rs. 4.07 Lakhs and for the year ended on that date, as considered in the consolidated financial statements. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    c. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows 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 financial statements.

    d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the report 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 31st March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 35 to the consolidated financial statements;

        ii. The Group has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contract; and

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

For **Dhirubhai Shah & Co**
Chartered Accountants
Firm's Registration Number: 102511W

Harish B Patel
Partner
Membership number: 014427

New Delhi
28th May 2018

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of Asian Hotels (North) Limited ("the Holding Company") and its subsidiary 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by 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 and the audit evidence obtained by the 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 Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

Group'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. Group'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 group; (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 group are being made only in accordance with authorizations of management and directors of the holding company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group'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 31st March 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For **Dhirubhai Shah & Co**
Chartered Accountants
Firm's Registration Number: 102511W

Harish B Patel
Partner
Membership number: 014427

New Delhi
28th May 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

ASSETS	Note No.	As at 31-03-2018 (Rs. In Lakhs)		As at 31-03-2017 (Rs. In Lakhs)	
NON-CURRENT ASSETS					
(a) Property, Plant and Equipment	4	**1,27,789.19**		1,31,576.04	
(b) Capital Work in Progress	4	**22,760.30**		18,756.99	
(c) Intangible Assets	4	**49,524.81**		49,322.56	
(d) Financial Assets					
(i) Investments	5	**142.54**		-	
(ii) Loans	6	**26.83**		18.90	
(iii) Others	7	**272.42**		166.47	
(e) Deferred Tax Assets (Net)	8	**1,879.71**		1,846.90	
(f) Other Non-Current Assets	9	**1,438.42**		1,749.75	
			2,03,834.22		**2,03,437.61**
CURRENT ASSETS					
(a) Inventories	10	**1,161.29**		948.89	
(b) Financial Assets					
(i) Trade Receivables	11	**1,200.56**		1,089.19	
(ii) Cash and Cash Equivalents	12	**871.42**		1,158.52	
(iii) Bank Balance other than (ii) above	13	**340.10**		347.72	
(iv) Loans	14	**-**		100.00	
(v) Others	15	**2,750.75**		936.40	
(c) Other Current Assets	16	**607.01**		974.38	
			6,931.13		**5,555.10**
TOTAL ASSETS			**2,10,765.35**		**2,08,992.71**
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	17	**1,945.32**		1,945.32	
(b) Other Equity	18	**71,928.40**		72,068.90	
(c) Non-controlling interests		**2,420.02**		2,443.80	
			76,293.74		**76,458.02**
LIABILITIES					
NON-CURRENT LIABILITIES					
(a) Financial Liabilities					
(i) Borrowings	19	**98,880.44**		1,03,002.28	
(ii) Other Financial Liabilities	20	**1,827.30**		1,724.98	
(b) Provisions	21	**444.90**		438.54	
(c) Other Non-Current Liabilities	22	**2,126.56**		2,126.56	
			1,03,279.20		**1,07,292.36**
CURRENT LIABILITIES					
(a) Financial Liabilities					
(i) Borrowings	23	**15,199.14**		12,427.22	
(ii) Trade Payables	24	**4,854.59**		4,268.15	
(iii) Other Financial Liabilities	25	**1,690.57**		2,421.34	
(b) Other Current Liabilities	26	**9,193.43**		5,872.33	
(c) Provisions	27	**254.68**		253.29	
			31,192.41		**25,242.33**
TOTAL EQUITY & LIABILITIES			**2,10,765.35**		**2,08,992.71**
Corporate Information, Basis of Preparation & Significant Accounting Policies	1-3				

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

HARISH B PATEL
Partner
Membership Number: 014427

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of
Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

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

INCOME	Note No.	2017-18 (Rs. In Lakhs)		2016-17 (Rs. In Lakhs)	
Revenue from operations	28	**27,443.97**		25,089.42	
Other income	29	**3,117.22**		1,142.80	
TOTAL INCOME			**30,561.19**		26,232.22
EXPENSES					
Consumption of provisions, beverages, smokes and others	30	**3,641.74**		3,145.69	
Employee benefits expense	31	**6,418.98**		5,837.97	
Finance Costs	32	**9,909.92**		9,926.24	
Depreciation and amortization expenses	4	**2,040.02**		2,165.04	
Less: included as part of capital work-in-progress		**(43.95)**		(43.41)	
Other expenses	33	**9,033.89**		7,997.25	
TOTAL EXPENSES			**31,000.60**		29,028.78
Profit/(Loss) before exceptional items and tax			**(439.41)**		**(2,796.56)**
Exceptional items (net)			**-**	-	
Profit/(Loss) before tax			**(439.41)**		**(2,796.56)**
Tax items					
Current tax		**-**		-	
Earlier years tax provisions (written back)		**-**		109.72	
Deferred tax asset / (liability)		**32.81**		1,068.75	
Total tax items			**32.81**		1,178.47
Profit/(Loss) for the year			**(406.60)**		**(1,618.09)**
Other Comprehensive Income					
Items that will not be classified to Profit or Loss					
Re-measurement gains/ (losses) on post employment benefit plans		**34.59**		(51.44)	
Additional depreciation on account of revaluation		**-**		86.77	
Other Comprehensive Income/ (Loss) for the year			**34.59**		35.33
Total Comprehensive Income/ (Loss) for the year			**(372.01)**		**(1,582.76)**
Net profit / (loss) attributable to:					
Owners			**(371.10)**		**(1,585.35)**
Non-controlling interest			**(35.50)**		**(32.74)**
Other comprehensive income / (loss) attributable to:					
Owners			**30.75**		**36.43**
Non-controlling interest			**3.84**		**(1.10)**
Total comprehensive income / (loss) attributable to:					
Owners			**(340.37)**		**(1,548.92)**
Non-controlling interest			**(31.64)**		**(33.84)**
Earnings Per Equity Share (Basic and Diluted) (In Rs.)	34		**(2.09)**		**(8.32)**
Corporate Information, Basis of Preparation & Significant Accounting Policies	1-3				

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

HARISH B PATEL
Partner
Membership Number: 014427

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of
Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

		2017-18	2016-17
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**	**(Rs. In Lakhs)**	(Rs. In Lakhs)
	Profit/ (loss) Before Tax	**(439.41)**	(2,796.56)
	Adjustments for:		
	Depreciation and amortization	**1,996.07**	2,165.04
	Interest and finance charges	**9,872.62**	9,699.25
	Interest income	**(45.65)**	(64.82)
	(Gain)/Loss on fixed assets sold/ discarded (net)	**(2,327.63)**	(430.15)
	Net unrealized (gain)/loss on foreign currency transaction and translation	**13.27**	508.44
	Bad debts / advances written off	**-**	28.87
	Provision for bad & doubtful debts/advances (written back)	**35.98**	32.07
	Excess Provisions / Liability no longer required written back	**(124.78)**	(570.52)
	Other Non-Operating Income	**(462.56)**	-
	Operating Profit before Working Capital Changes	**8,517.92**	8,571.63
	Adjustments for changes in working capital :		
	(Increase)/decrease in trade receivables, loans & advances and other assets	**(1,098.26)**	(20.34)
	(Increase)/decrease in inventories	**(212.40)**	(150.90)
	Increase/(decrease) in trade payables, other liabilities and provisions	**3,917.86**	259.17
	Cash Generated from Operations	**11,125.13**	8,659.55
	Income taxes (Net)	**(245.88)**	(110.24)
	Net Cashflow from Operating Activities	**10,879.25**	8,549.31
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets		
	Additions during the year	**(373.64)**	(500.33)
	Capital work in progress	**(4,458.77)**	(4,203.39)
	Proceeds from sale of fixed assets	**4,947.49**	2,745.98
	Investments in bank deposits (with original maturity over 3 months)	**-**	(328.00)
	Proceeds from bank deposits (with original maturity over 3 months)	**50.05**	765.00
	Investments in shares	**(142.54)**	-
	Interest received	**50.51**	122.92
	Non-operating Income	**462.56**	-
	Net Cashflow from Investing Activities	**535.66**	(1,397.82)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(C) CASH FLOW FROM FINANCING ACTIVITIES		
Net inflow / (outflow) on account of borrowings	**(1,603.02)**	3,066.73
Interest and finance charges	**(10,098.97)**	(10,093.88)
Net Cashflow from Financing Activities	**(11,701.99)**	(7,027.15)
Net Increase/(Decrease) in Cash and Cash Equivalents	**(287.10)**	124.35
Cash and Cash Equivalents-Opening	**1,158.52**	1,034.18
Cash and Cash Equivalents - Closing	**871.42**	1,158.52

NOTES:

1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows

2) Figures in bracket indicate cash outflow.

3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

	As at 31-03-2018 (Rs. In lakhs)	As at 31-03-2017 (Rs. In lakhs)
DETAIL OF CASH AND CASH EQUIVALENTS		
Balances with banks		
In current accounts	**834.31**	1,136.36
In deposits with original maturity of less than 3 months	-	-
Cheques, draft on hand	**-**	20.30
Cash on hand	**37.12**	1.86
	871.42	1,158.52

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
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ON BEHALF OF THE BOARD OF DIRECTORS

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Vice President-Corporate Affairs & Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018

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

(A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2018

(Rs. In Lakhs)

Balance as at 1st April, 2017	Changes during the year	Balance as at 31st March, 2018
1,945.32	-	**1,945.32**

For the year ended 31st March, 2017

(Rs. In Lakhs)

Balance as at 1st April, 2016	Changes during the year	Balance as at 31st March, 2017
1,945.32	-	1,945.32

(B) OTHER EQUITY

For the year ended 31st March, 2018

Particulars	Capital Reserve	General Reserve	Capital Redemption Reserve	Security Premium Account	Tourism Development Reserve	Revaluation Reserve	Retained Earnings	FVOCI Reserve	Foreign Exchange Translation Reserve	Total Equity
Balance as at 1st April, 2017	1.41	8,863.57	990.00	32,994.83	-	19,074.94	5,363.50	501.98	4,278.67	**72,068.90**
Profit/(Loss) for the year	-	-	-	-	-	(19,074.94)	(371.10)	-	-	**(19,446.04)**
Transfer from / to	-	-	-	-	-	-	19,074.94	-	199.86	**19,274.80**
Other Comprehensive income/(loss) for the year										
Remeasurements gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	30.74	-	**30.74**
Balance as at 31st March, 2018	**1.41**	**8,863.57**	**990.00**	**32,994.83**	**-**	**-**	**24,067.34**	**532.72**	**4,478.53**	71,928.40

For the year ended 31st March, 2017

Particulars	Capital Reserve	General Reserve	Capital redemption reserve	Security premium account	Tourism Development Reserve	Revaluation Reserve	Retained Earnings	FVOCI Reserve	Foreign Exchange Translation Reserve	Total Equity
Balance as at 1st April, 2016	1.41	3,531.55	990.00	32,994.83	5,332.02	19,161.71	6,981.59	466.65	4,251.98	**73,711.74**
Profit/(Loss) for the year	-	-	-	-	-	-	(1,618.09)	-	-	**(1,618.09)**
Foreign translation gain	-	-	-	-	-	-	-	-	26.69	**26.69**
Transfer from / to	-	5,332.02	-	-	(5,332.02)	(86.77)	-	86.77	-	**-**
Other Comprehensive income/(loss) for the year										
Remeasurements gain/(loss) on defined benefit plans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(51.44)**	**-**	**(51.44)**
Balance as at 31st March, 2017	**1.41**	**8,863.57**	**990.00**	**32,994.83**	**-**	**19,074.94**	**5,363.50**	**501.98**	**4,278.67**	72,068.90

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

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Place: New Delhi
Dated: 28th May, 2018

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

1. GROUP INFORMATION

Asian Hotels (North) Limited (the Holding Company) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Holding Company is operating a Five Star deluxe Hotel namely Hyatt Regency in Delhi since 1982. The Holding Company has three subsidiaries as on the balance sheet date namely Fineline Hospitality & Consultancy Pte Ltd., an overseas subsidiary, incorporated in Mauritius provides offshore project consultancy services; Lexon Hotel Ventures Limited is incorporated in Mauritius also provides offshore project consultancy services; Leading Hotels Limited incorporated in India is developing an all Villa Hotel Complex, including residential villas and an 18 hole, 72 pars Championship Golf Course in Goa (India).

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards [Ind AS] notified under the Companies [Indian Accounting Standards] Rules, 2015 and with the applicable provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

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

- Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]
- Defined benefit plans
- Contingent consideration

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

2A Principles of Consolidation

These consolidated financial statements have been prepared in accordance with Indian Accounting Standard 110 (Ind AS 110) – "Consolidated Financial Statements". These consolidated financial statements comprise the financial statements of the Company and its following subsidiaries: -

Name of the Company	Country of Incorporation	Effective % of holding as at 31st March, 2018	Effective % of holding as at 31st March, 2017
Fineline Hospitality & Consultancy Pte Ltd (FHCPL)- an Overseas Subsidiary	Mauritius	100.00%	100.00%
Lexon Hotel Ventures Limited (Lexon), a subsidiary of FHCPL	Mauritius	80.00%(#)	80.00%(#)
Leading Hotels Limited (LHL), a subsidiary of Lexon	India	79.81%(^)	79.81%(^)

(#) i.e., 100.00% of 80.00 % held by FHCPL.

(^) i.e. 80.00% of 99.76% held by Lexon

These consolidated financial statements have been prepared on the following basis:

(i) the financial statements of the Holding Company, its Overseas Wholly Owned Subsidiary and its Indian Subsidiary have been combined on a line by 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, based on the special purpose audited Ind AS consolidated financial statements received from the Overseas Subsidiary and audited financial statement received from the Indian Subsidiary for the year ended 31st March 2018, in Indian Rupees as per the Indian Accepted Accounting Policies.

(ii) These consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.

(iii) The difference between the cost of investment in the subsidiaries and the Holding Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

(iv) Goodwill arising out of consolidation is tested for impairment at each balance sheet date.

(v) Non-controlling interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Holding Company's shareholders.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

2. BASIS OF PREPARATION ...contd.

Non-controlling interest in the net assets of consolidated subsidiaries consists of: -

(a) the amount of equity attributable to non-controlling interest at the date on which investment in Subsidiary is made; and

(b) the non-controlling share of movements in equity since the date the parent – subsidiary relationship came into existence.

Minority interests share of Net Profit / (Loss) (including share of Foreign Exchange Translation Reserve) of consolidated subsidiaries for the relevant period is identified and adjusted against the profit after tax of the group.

2B Use of Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

a) Estimation of current tax expense and payable – Refer accounting policy 3.9

b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policy 3.1

c) Estimation of defined benefit obligation – Refer accounting policy 3.8

d) Estimation of fair values of contingent liabilities - Refer accounting policy 3.12

e) Recognition of revenue - Refer accounting policy 3.4

f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policy 3.9

g) Impairment of financial assets – Refer accounting policy 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

a. Expected to be realized or intended to be sold or consumed in normal operating cycle

b. Held primarily for the purpose of trading

c. Expected to be realized within twelve months after the reporting period, or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle

b. It is held primarily for the purpose of trading

c. It is due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use. When significant parts of property, plant and equipment are required to be replaced at intervals,

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment.

Tangible Fixed Assets:

a) Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods.

b) Depreciation on leasehold improvements is being charged equally over the period of the lease.

c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve and credited to the Other Comprehensive Income based on guidance provided by ''Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India read with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2016 as amended by the Companies (Indian Accounting standards) (Amendment) Rules, 2016.

d) No depreciation is charged on the assets sold/ discarded during the year.

Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period has been set off from the interest expense accounted for as expenditure during the construction period.

3.2 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Group measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

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

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3.3 Foreign Currency Transactions

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

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are measured in terms of historical costs denominated in foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.4 Revenue recognition

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

(i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer or the agreed milestones are achieved and are net of service tax, wherever applicable.

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

(iii) Dividend income from investments is recognized when the Group's right to receive payment is established which is generally when shareholders approve the dividend.

(iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.

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

(vi) Excise duty (upto 30th June, 2017) is a liability of the Group, which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, the recovery of excise duty flows to the Group on its own account and hence revenue includes excise duty.

3.5 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.

A. Financial Assets

a. 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 attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Group settle commits to purchase or sell the asset.

b. Subsequent measurement:

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

i. Debt instruments at amortized cost:

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

- The asset is held with an objective of collecting contractual cash flows
- 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.

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

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 and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

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

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments 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]. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) Derecognition:

A financial asset is primarily derecognized when:

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

ii. the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

d. Impairment of financial assets:

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

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

b. Trade receivables or any contractual right to receive cash

c. Financial assets that are debt instruments and are measured as at FVTOCI

d. Lease receivables under Ind AS 17

e. Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the Group to recognize the impairment loss allowance based on lifetime

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

B. Financial liabilities:

a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b. Subsequent measurement:

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

i. 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. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

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

ii. Loans and borrowings:

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.

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

iii. Financial guarantee contracts:

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

c. Derecognition:

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

C. Reclassification of financial assets:

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

D. Offsetting of financial instruments:

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

3.6 Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a. In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Group. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3.7 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is determined by weighted average method. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.

3.8 Retirement benefits

Retirement benefit costs for the year are determined on the following basis:

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

(i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. There is no obligation other than the contribution payable to the respective fund.

(ii) The Group also provides for retirement benefits in the form of gratuity and compensated absences/ Leave encashment in pursuance of the Group leave rules. The Group's liability towards such defined benefit plans are determined based on valuations as at the Balance Sheet date made by independent actuaries. The classification of the Group's net obligation into current and non-current is as per the actuarial valuation report.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding mounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset

3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Group operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

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

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the Group during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

3. SIGNIFICANT ACCOUNTING POLICIES ...contd.

3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.14 Leases

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

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

– Lease other than finance lease are operating lease and these leased assets are not recognized in the Group's statement of financial position but are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Group is both a lessee and a lessor under such arrangements. Payments and receipts under such leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the primary period of the lease unless another systematic basis is more representative of the time pattern of the user’s benefit.

3.15 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4. PROPERTY, PLANT AND EQUIPMENT **(Rs. In Lakhs)**

	Freehold land	Buildings	Furniture & Fittings	Plant and Equipments	Office Equipment	Computers	Vehicles	Goodwill	Total	Capital Work-In progress
Cost:										
As at 1st April, 2016	92,908.98	31,032.45	7,937.87	15,947.29	108.29	560.60	1,502.74	49,554.66	1,99,552.88	15,726.30
Additions	6.54	572.68	288.74	624.87	4.93	29.68	183.38	-	1,710.82	4,159.96
Disposals / transfers	12.57	1,480.02	431.39	1,263.77	40.61	128.78	328.38	232.10	3,917.62	1,129.27
As at 31st March, 2017	**92,902.95**	**30,125.11**	**7,795.22**	**15,308.39**	**72.61**	**461.50**	**1,357.75**	**49,322.56**	**1,97,346.08**	**18,756.99**
Additions	0.42	111.83	42.53	329.38	8.34	8.80	371.73	202.25	1,075.29	4,502.71
Disposals / transfers	-	2,292.60	33.95	470.16	6.99	7.62	113.05	-	2,924.37	499.40
As at 31st March, 2018	**92,903.37**	**27,944.34**	**7,803.79**	**15,167.61**	**73.96**	**462.69**	**1,616.43**	**49,524.81**	**1,95,497.00**	**22,760.30**
Accumulated depreciation:										
As at 1st April, 2016	-	3,039.18	5,006.25	6,500.27	71.51	486.35	536.01	-	15,639.57	-
Depreciation charged during the year	-	493.71	532.44	917.19	9.21	33.19	179.30	-	2,165.04	-
Disposals / transfers	-	78.88	354.73	534.45	34.10	117.14	237.82	-	1,357.12	-
As at 31st March, 2017	**-**	**3,454.00**	**5,183.97**	**6,883.01**	**46.62**	**402.41**	**477.50**	**-**	**16,447.50**	**-**
Depreciation charged during the year	-	467.02	450.33	898.98	9.23	22.28	192.18	-	2,040.02	-
Disposals / transfers	-	110.72	11.64	103.12	6.05	7.19	65.78	-	304.50	-
As at 31st March, 2018	**-**	**3,810.30**	**5,622.66**	**7,678.87**	**49.80**	**417.49**	**603.90**	**-**	**18,183.02**	**-**
Net book value										
As at 31st March, 2017	92,902.95	26,671.11	2,611.25	8,425.38	25.99	59.09	880.25	49,322.56	1,80,898.59	18,756.99
As at 31st March, 2018	**92,903.37**	**24,134.04**	**2,181.13**	**7,488.74**	**24.17**	**45.20**	**1,012.53**	**49,524.81**	**1,77,314.00**	**22,760.30**

(a) Building includes leasehold improvement:

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**69.86**	69.86
Accumulated depreciation	**60.41**	55.05
Depreciation charge for the year	**5.36**	4.03
Net value	**9.45**	14.81

(b) Vehicles includes those financed:

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**1,339.76**	993.35
Net value	**942.49**	775.37

(c) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity Land (freehold)

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**34.00**	34.00
Net value	**34.00**	34.00

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4. PROPERTY, PLANT AND EQUIPMENT ...contd.

Plant and Equipments

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Gross value	**1,857.02**	1,857.02
Net value	**974.75**	1,048.24

(d) Capital Work in Progress consists of :

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Balance at the beginning of the year	**18,756.99**	15,726.30
Building under construction	**154.28**	173.08
Technical and consultancy fees	**442.59**	463.78
Kitchen Equipments	**41.60**	49.90
Plant and Machinery under installation	**-**	-
Plumbing and sanitation	**13.68**	5.36
Air conditioning under installation	**80.42**	61.96
Elevators under installation and others	**7.25**	3.95
Furniture and Fixtures	**55.45**	221.95
Fire fighting equipments	**14.13**	93.27
Office, Housekeeping and other equipments	**0.15**	16.62
Music, TV and Cinematograph	**18.83**	104.40
Electrification	**15.12**	23.10
Expenditure during construction {Refer Note (e) below}	**3,486.46**	2,942.59
	23,086.95	19,886.26
Add: transfer from service tax cenvat (Reversal)	**172.75**	-
Less: Interest on security deposits Ind As	**(1.03)**	-
Less: Capitalized during the year	**(498.37)**	(1,129.27)
Balance at the end of the year	**22,760.30**	18,756.99

(e) All other expenses specifically attributable to construction have been accounted for as expenditure during construction. The Group has prepared the following Statement of Expenditure during construction:

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
STATEMENT OF EXPENDITURE DURING CONSTRUCTION		
Employee benefits expenses	**220.41**	134.76
Rent	**14.81**	22.88
Loan processing arranging fees	**16.22**	0.06
"Legal and professional charges (Including loan processing and arranging fees)"	**32.20**	8.25
Site office running expenses	**341.10**	177.59
Travelling expenses	**52.66**	81.34
Interest expenses	**2,695.04**	2,328.84
Depreciation	**43.95**	43.41
Miscellaneous	**70.07**	145.46
	3,486.46	2,942.59

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

5 NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unquoted investments:		
a. Investment in equity instruments		
Others companies	**142.54**	-
	142.54	-
Aggregate amount of unquoted investments	**142.54**	-
Aggregate provision for diminution on value of investments	**-**	-

Details of Investments

	Face value per unit in Rs. unless otherwise specified	No. of shares/units As at 31-03-2018	Value 31-03-2018 (Rs. In Lakhs)	Value 31-03-2017 (Rs. In Lakhs)
Unquoted Investments:				
Investment in equity instruments				
Sandhya Hydro Power Projects Balargha Pvt. Ltd. *	Rs. 10	**14,24,780**	**142.54**	-
Total			**142.54**	-

6. NON - CURRENT FINANCIAL ASSETS - LOANS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated		
Other loans:		
Loans to employees	**26.83**	18.90
	26.83	18.90

7. NON - CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Bank deposits with original maturity greater than 12 months* (See Note - 12)	**24.38**	74.38
Security deposits	**246.26**	92.09
Rental deposits	**1.79**	-
	272.42	166.47
*Includes as margin money deposit against borrowings from banks	**-**	50.00

8. TAXATION - DEFERRED TAX

I. Income tax related items charged or credited directly to profit or loss during the year

Particulars	**2017-18**	2016-17
Statement of profit or loss		
Current income tax	**-**	-
Prior year income tax / (reversal)	**-**	(109.72)
Deferred tax expense / (benefit)	**(32.81)**	(1,068.75)
Total	**(32.81)**	(1,178.47)

II. Income Tax Expense Reconciliation

Accounting profit / loss before tax	**(274.88)**	(2,739.84)
Applicable tax rate	**31.20%**	30.90%
Computed tax expense	**(85.76)**	(846.61)
Expense not considered for tax purpose	**221.01**	101.09
Income not considered for tax purpose	**(744.45)**	(235.03)
Additional allowance for tax purpose	**(16.55)**	(6.54)
Additional allowance for capital gains	**-**	-
Other timing difference	**(2.11)**	(191.37)

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

8. TAXATION - DEFERRED TAX ...contd.

III. Deferred Tax relates to the following:

Particulars	Balance Sheet		Recognised in statement of profit or loss	
	As at 31-03-2018	As at 31-03-2017	**2017-18**	2016-17
Expense allowable on payment basis	**536.62**	533.73	**2.90**	533.73
Unused tax losses / depreciation	**6,685.06**	5,874.50	**810.56**	5,874.50
Minimum alternate tax (MAT) credit	**778.15**	778.15	**-**	-
Depreciation timing difference	**(6,120.12)**	(5,339.48)	**(780.65)**	(5,339.48)
Deferred tax asset / (liability)	**1,879.71**	1,846.90	**32.81**	1,068.75
Net income /(expense)				

The group is having net deferred tax asset (DTA) as on 31st March, 2018 and on the basis of reasonable certainty concept as per Ind-AS provisions, the same has been recognized in the books of account.

9. NON - CURRENT ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Capital advances		
Considered good	**202.02**	759.23
Considered doubtful	**-**	-
	202.02	759.23
Less: Provision for doubtful advances	**-**	-
Advance income tax (net of provision for taxation)	**1,236.40**	990.52
	1,438.42	1,749.75

10 INVENTORIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
(valued at lower of cost and net realizable value)		
Wines and liquor	**550.41**	526.04
Provisions, other beverages and smokes	**189.15**	154.64
Crockery, cutlery, silverware, linen etc.	**338.14**	184.81
General stores and spares	**83.59**	83.40
	1,161.29	948.89

- As per inventory taken and valued by the Management

11. TRADE RECEIVABLES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured		
Other debts		
Considered good	**1,200.56**	1,089.19
Considered doubtful	**21.35**	21.35
	1,221.91	1,110.54
Less: Provision for doubtful debts	**(21.35)**	(21.35)
	1,200.56	1,089.19
Trade receivables includes:		
Debts related to generation of electricity business (See segment reporting note)	**217.78**	61.13

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

12. CASH AND CASH EQUIVALENTS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Balances with banks		
In current accounts	**834.31**	1,136.36
In deposit accounts (maturity less than 3 months)	**-**	-
Cash in hand	**37.12**	20.30
Cheque in hand	**-**	1.86
	871.42	1,158.52

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Other balances		
Earmarked balances with banks for:		
Unpaid dividends #	**12.10**	19.67
Bank deposits *	**328.00**	328.05
	340.10	347.72
There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2018		
# includes excess deposit due to rounding-off of dividend payable on fractional shares	**0.09**	0.09
*Includes as margin money deposit against borrowings from banks	**328.00**	328.00
*under lien against guarantee given for loan taken by the holding company	**-**	-
*Against bank guarantee from bank	**-**	0.05

14. CURRENT FINANCIAL ASSETS - LOANS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated		
Inter-corporate deposit	**-**	100.00
	-	100.00

15 CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Interest accrued on fixed deposits	**3.15**	8.01
Security deposits	**0.35**	28.46
Advance recoverable in cash or kind	**2,589.28**	899.93
Others *	**157.97**	-
	2,750.75	936.40

* Includes recoverable from DBS Bank on account of withholding tax deposited on their behalf

16. CURRENT ASSETS - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	**308.56**	359.36
Balance with Statutory Authorities	**298.45**	615.02
	607.01	974.38

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

17 SHARE CAPITAL	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Authorised:		
40,000,000 Equity Shares of Rs. 10 each	**4,000.00**	4,000.00
(40,000,000 Equity Shares of Rs. 10 each as on 31st March, 2018 and 31st March 2017)		
30,000,000 Preference Shares of Rs. 10 each	**3,000.00**	3,000.00
(30,000,000 Preference Shares of Rs. 10 each as on 31st March, 2018 and 31st March 2017)		
Issued, Subscribed and paid-up:		
19,453,229 Equity Shares of Rs. 10 each fully paid up	**1,945.32**	1,945.32
(19,453,229 Equity Shares of Rs. 10 each fully paid up as on 31st March, 2018 and 31st March 2017)		

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Authorized Share Capital	As at 31-03-2018 No. of shares	As at 31-03-2018 Rs. (Lakhs)	As at 31-03-2017 No. of Shares	As at 31-03-2017 Rs. (Lakhs)
(1) Equity Shares				
Balance at the beginning of the year	**4,00,00,000**	**4,000.00**	4,00,00,000	4,000.00
Balance at the end of the year	**4,00,00,000**	**4,000.00**	4,00,00,000	4,000.00
(2) Preference Shares				
Balance at the beginning of the year	**3,00,00,000**	**3,000.00**	3,00,00,000	3,000.00
Balance at the end of the year	**3,00,00,000**	**3,000.00**	3,00,00,000	3,000.00

Issued, subscribed and paid-up capital	As at 31-03-2018 No. of shares	As at 31-03-2018 Rs. (Lakhs)	As at 31-03-2017 No. of Shares	As at 31-03-2017 Rs. (Lakhs)
(1) Equity Shares				
Balance at the beginning of the year	**1,94,53,229**	**1,945.32**	1,94,53,229	1,945.32
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	**1,94,53,229**	**1,945.32**	1,94,53,229	1,945.32

(b) Terms / rights attached to equity shares:

The Holding Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2018, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2017: Re. Nil).

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

(c) Details of shareholders holding more than 5 % shares in the Holding Company

	As at 31-03-2018 %	As at 31-03-2018 No. of shares	As at 31-03-2017 %	As at 31-03-2017 No. of shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas promoter entity)	**23.10**	**44,93,145**	23.10	44,93,145
Yans Enterprises (H.K.) Limited, (an overseas promoter entity)	**27.43**	**53,36,880**	27.43	53,36,880
Mr. Shiv Kumar Jatia (Chairman & Managing Director & Promoter)	**13.72**	**26,68,027**	13.72	26,68,027
Asian Holdings Private Limited (a domestic promoter entity)	**8.24**	**16,02,664**	8.24	16,02,664

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

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

18. OTHER EQUITY	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Capital Reserve		
Opening balance	**1.41**	1.41
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	**1.41**	1.41
Capital Redemption Reserve for redeemed NCPS		
Opening balance	**990.00**	990.00
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	**990.00**	990.00
Securities Premium		
Opening balance	**32,994.83**	32,994.83
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	**32,994.83**	32,994.83
General Reserve		
Opening balance	**8,863.57**	3,531.55
Additions during the financial year	-	5,332.02
Adjusted to FVTOCI reserve on transition to Ind AS	-	-
Closing balance	**8,863.57**	8,863.57
Tourism Development Utilized Reserve		
Opening balance	-	5,332.02
Additions during the financial year	-	-
Deductions during the financial year	-	(5,332.02)
Closing balance	-	-
Revaluation Reserve		
Opening balance	**19,074.94**	19,161.71
Additions during the financial year	-	-
Deductions during the financial year	-	(86.77)
Transferred to Surplus of Profit and Loss	**(19,074.94)**	-
Closing balance	-	19,074.94
Surplus in Statement of Profit and Loss		
Opening balance	**5,363.50**	6,981.59
Transferred from Revaluation Reserve *	**19,074.94**	-
Profit / (loss) during the year	**(371.10)**	(1,618.09)
Closing balance	**24,067.34**	5,363.50
Fair Value through Other Comprehensive Income [FVTOCI] Reserve		
Opening balance	**501.98**	466.65
Additional depreciation on account of re-valuation	-	86.77
- Re-measurement gains / (losses) on employee benefits	**30.74**	(51.44)
Closing balance	**532.72**	501.98
Foreign Exchange Translation Reserve		
Opening balance	**4,278.67**	4,251.98
Additions during the financial year	**199.86**	26.69
Closing balance	**4,478.53**	4,278.67
Total of other equity - as at 31st March, 2018	**71,928.40**	72,068.90

* As per Ind AS requirements, the balance lying in revaluation reserve account has been transferred.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

19. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Secured Term Loans		
From Banks		
External commercial borrowings		
DBS Bank Limited	**20,151.21**	32,469.35
USD 500.77 Lakhs (Previous Year USD 382.53 Lakhs and SGD 227.29 Lakhs)		
Other Term Loans		
Axis Bank Limited-Rupee loan	**-**	15,652.69
Bank of Maharashtra - Rupee Loan	**23,898.14**	24,141.00
Yes Bank Limited-Rupee loan	**30,266.41**	30,837.14
Punjab National Bank	**14,619.91**	-
IndusInd Bank	**10,000.00**	-
	98,935.67	70,630.83
Less: Adjustment of transaction costs as per Ind AS 109	**(2,208.13)**	(2,447.95)
	96,727.54	68,182.88
Kotak Mahindra Bank Limited-Rupee loan	**-**	887.31
For acquisition of /secured against vehicles		
Axis Bank Limited- Rupee loan	**13.12**	-
ICICI Bank Limited- Rupee loan	**141.01**	131.26
HDFC Bank Limited- Rupee loan	**35.24**	48.80
From Financial Institution		
SREI Equipment Finance Ltd - Equipment Loan	**63.69**	96.92
Genesis Finance Company Limited - Rupee loan	**447.33**	-
For acquisition of /secured against vehicles		
Axis Bank Limited - Rupee loan	**-**	21.39
Kotak Mahindra Prime Limited - Rupee loan	**340.47**	302.82
Toyota Financial Services - Rupee loan	**30.52**	11.60
Others		
Inter-Corporate loans	**228.67**	158.41
Unsecured Loans		
Interest Free loans from:		
Promoter Director	**182.12**	640.80
Group Companies	**670.73**	50.74
	98,880.44	1,03,002.28

Nature of security and terms of repayment for secured current financial liabilities-borrowings:

(a) DBS Bank Limited -External commercial borrowings (carried interest @ 3.25% p.a. plus LIBOR) are secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. External commercial borrowings are repayable as under: (i) USD 148.97 Lakhs is payable in 18 unequal half yearly installments till March, 2030; (ii) USD 160.83 Lakhs is payable in 11 unequal half yearly installments till March, 2030.

(b) Axis Bank Limited - Rupee Term loan (carried interest @ 11.70% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi; first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in unequal 40 quarterly installments till March, 2030. The loan has been repaid during the year through re-financing by Punjab National Bank (PNB).

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

19. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

(c) Kotak Mahindra Bank Limited - Rupee loan (carried interest @ 11.00% per annum) is secured by exclusive charge mortgage on 3000 sq. ft. of sixth floor of New Tower Block A in Hyatt Regency Delhi and personal guarantee of Chairman and Managing Director, repayable in 38 unequal monthly installments, up to May 2020. The loan has been repaid in full during the year.

(d) Yes Bank Limited - Rupee loan of Rs. 4,651.36 Lakhs (carried interest @ 10.50% - 10.55% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 34 unequal quarterly installments till July, 2030.

(e) Yes Bank Limited - Rupee loan of Rs. 10,972.78 Lakhs (carried interest @ 10.95% - 11.50% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 36 unequal quarterly installments till December, 2030.

(f) Bank of Maharashtra (Term Loan I) of Rs. 19,775 Lakhs (carried interest @ 10.85% - 10.95% per annum) - is secured by 1st pari passu charge on land and building of Hotel Hyatt Regency and personal guarantee of the Chairman & Managing Director. The loan is payable in 48 unequal quarterly installments commencing October, 2018.

(g) Bank of Maharashtra (Term Loan II) of Rs. 4,366 Lakhs (carried interest @ 10.85% - 10.95% per annum) - is secured by 1st pari passu charge on land and building of Hotel Hyatt Regency and personal guarantee of the Chairman & Managing Director. The loan is payable in 48 unequal quarterly installments commencing October, 2018.

(h) Indusind Bank Limited - Rupee loan of Rs. 10,000 Lakhs (carried interest @ 9.50% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 18 unequal half yearly installments till March, 2030.

(i) Punjab National Bank - Rupee loan of Rs. 14,619.91 Lakhs (carried interest @ 9.25% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The loan is repayable in 36 structured quarterly installments till March, 2030.

(j) Genesis Finance Company Limited - Rupee loan for business of generation of electricity (carried interest @ 12.00% per annum) is secured by first charge on plant & machinery pertaining to the windmill situated at Sinner in Maharashtra and personal gaurantee of Chairman & Managing Director. The loan is repayable in 99 unequal monthly installments up to October 2027.

(k) ICICI Bank-Rupee loan (carried interest @ 9.84% per annum) is secured against hypothecation of 8 vehicles. Balance repayable in monthly installments up to December, 2020.

(l) ICICI Bank-Rupee loan (carried interest @ 9.35% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to June, 2021.

(m) ICICI Bank-Rupee loan (carried interest @ 8.51% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2021.

(n) ICICI Bank-Rupee loan (carried interest @ 8.02% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2022.

(o) ICICI Bank-Rupee loan (carried interest @ 8.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2022.

(p) ICICI Bank-Rupee loan (carried interest @ 8.01% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to September, 2022.

The aggregate values of the vehicle loans from ICICI Bank aggregate to Rs. 196.61 Lakhs.

(q) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carried interest @ 10.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to December 2018.

(r) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.25% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to May 2020.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

19. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

(s) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to February 2021.

(t) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.48% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to February 2020.

(u) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly installments up to October 2019.

(v) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 11.89% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to November, 2019.

(w) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 8.60% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to March 2022.

(x) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 10.33% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to May 2022.

(y) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 7.78% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to November 2022.

The aggregate values of the vehicle loans outstanding from Kotak Mahindra Prime Ltd aggregates to Rs. 472.35 Lakhs

(z) BMW Financial Services - Rupee loan of Rs. 2.57 Lakhs for acquisition of vehicles (carried interest @ 12.21% per annum) was secured against hypothecation of certain vehicles. The loan has been fully repaid during the year.

(aa) SREI Equipment Finance Ltd - Rupee Loan of Rs. 96.92 Lakhs for acquisition of equipment (carried interest @ 14.25% per annum) is secured against the power saving equipment acquired from the loan. Balance is payable in equal monthly installments up to October, 2020 starting from December, 2015.

(ab) HDFC Bank Ltd - Rupee loan of Rs. 48.80 Lakhs for acquisition of a vehicle (carried interest @ 11.00% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to May 2021.

(ac) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 9.05% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to June 2021.

(ad) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 7.74% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly installments up to October 2022.

The details of repayment of long term borrowings as at 31st March, 2018 are as follow:

(ae) Term loan from Yes bank has been secured at the interest rate of base rate 10.25% plus 0.62% and TL-II & III base rate 10.25% plus 2.40% by Mortgage of land and building of Goa Hotels Project on land admeasuring 160 acres and by Charges over moveable Fixed Assets (excluding vehicle) and current assets of Goa hotel project.

(af) Loan from Axis bank for acquisition of Vehicles carried interest @ 9.51% pa. The loan is repayable in monthly installments along with interest, from the date of loan. The loan is secured by hypothecation of certain vehicles of the company.

(ag) Loan from Kotak Mahindra Prime Limited for acquisition of vehicles carried interest @ 9.76% to 15.32% pa. The loan is repayable in monthly installments along with interest, from the date of loan. The loan is secured by hypothecation of certain vehicles of the company.

(ah) Inter Corporate Deposit carries interest rate 15% to 18% p.a. by Mortgage of land of admeasuring 46100 sq. mts.

The details of repayment of long term borrowings as at 31st March, 2018 are as follow:

Particulars	Up to 1 year (Rs. In Lakhs)	2 to 5 years (Rs. In Lakhs)	Above 5 years (Rs. In Lakhs)	Total (Rs. In Lakhs)
Secured term loans				
From banks	312.03	15,500.71	83,624.33	99,437.07
From financial institution	220.68	532.49	349.52	1,102.69
Total	**532.71**	**16,033.20**	**83,973.85**	**1,00,539.76**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

20. NON - CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Security Deposits	**1,827.30**	1,724.98
	1,827.30	1,724.98

The above includes Rs. 178.22 Lakhs (Previous Year Rs. 177.33 Lakhs) received as refundable interest free security deposits against leave and license agreements relating to the shops in Hotel Hyatt Regency and Rs. 1,500 Lakhs (Previous Year Rs. 1,500.00 Lakhs) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

21. NON - CURRENT PROVISIONS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	**337.34**	342.20
Leave Encashment	**105.82**	88.44
Lease Rent Equalization	**1.74**	7.90
	444.90	438.54

22. NON - CURRENT LIABILITIES - OTHERS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Advances and Deposits for Platinum Golf Membership (PGM) in Goa Project	**2,126.56**	2,126.56
	2,126.56	2,126.56

Advances & Deposits for Villa & Development rights represents deposit for development rights and advances and deposits from prospective buyer of Villas constituents forming part of an All Villa Hotel Complex, Goa.

23. CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Secured Term Loans		
From Banks		
Other Term Loans		
Bank of Maharashtra - Rupee Loan	**242.86**	-
Kotak Mahindra Bank Limited-Rupee loan	**-**	336.90
For acquisition of /secured against vehicles		
ICICI Bank Limited- Rupee loan	**55.61**	38.71
Axis Bank Limited - Rupee loan	**-**	7.52
HDFC Bank Limited- Rupee loan	**13.56**	12.11
Kotak Mahindra Bank Limited-Rupee loan	**-**	74.46
Overdraft Facilities		
Yes Bank Limited	**2,760.25**	3,399.84
Axis Bank Limited	**1,283.23**	1,005.19
IndusInd Bank	**264.91**	-
	4,620.42	4,874.73
From Financial Institution		
SREI Equipment Finance Ltd - Equipment Loan	**33.22**	28.68
For acquisition of /secured against vehicles		
Kotak Mahindra Prime Limited - Rupee loan	**179.06**	132.68
Toyota Financial Services - Rupee loan	**8.40**	2.94
BMW Financial Services - Rupee loan	**-**	2.58
	220.68	166.88

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2018

23. CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

Others		
Current Maturities of Long-Term borrowings from others	**1,815.16**	324.69
	1,815.16	324.69
Unsecured Loans		
Intercorporate Loans (carry interest @ 9% to 18%)	**8,542.89**	7,060.92
	15,199.14	12,427.22

Nature of security and terms of repayment for secured current financial liabilities-borrowings:

(a) DBS Bank Limited -Overdraft facilities (carried interest @ 12.00% per annum) and was secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company. The overdraft facility has been withdrawn during the year.

(b) Yes Bank Limited -Overdraft facilities (carried interest @ 11.50% - 11.75% per annum) is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets, personal guarantee of Chairman & Managing Director and pledge of shares representing Company's investment in foreign subsidiary company.

(c) Axis Bank Limited - Overdraft facilities (carried interest @ 11.40% per annum) and is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director, pledge of shares representing Company's investment in foreign subsidiary company.

(d) Indusind Bank Limited - Overdraft facilities (carried interest @ 9.50% per annum) and is secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Chairman & Managing Director, pledge of shares representing Company's investment in foreign subsidiary company.

(e) Inter Corporate Deposit carries interest rate from 9% to 18% p.a and in case of subsidiaries Inter Corporate Deposit carries interest rate 15% to 18% p.a. by Mortgage of land of admeasuring 46100 sq. mts.

(f) There is no continuing default as on the balance sheet date in repayment of loans and interest thereon.

(g) Term loan from bank (Yes bank) has been secured at the interest rate of base rate 10.25% plus 0.62% and TL-II & III base rate 10.25% plus 2.40% by Mortgage of land and building of Goa Hotels Project on land admeasuring 160 acres and by Charges over moveable Fixed Assets (excluding vehicle) and current assets of Goa hotel project.

(h) Loan from bank (Axis bank) for acquisition of Vehicles carried interest @ 9.51% pa. The loan is repayable in monthly installments along with interest, from the date of loan. The loan is secured by hypothecation of certain vehicles of the company.

(i) Loan from Non-banking financial institutions (Kotak mahindra prime ltd) for acquisition of vehicles carried interest @ 9.76% to 15.32% pa. The loan is repayable in monthly installments along with interest, from the date of loan. The loan is secured by hypothecation of certain vehicles of the company.

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Due to micro and small enterprises	**-**	-
Due to other than micro and small enterprises	**4,854.59**	4,268.15
	4,854.59	4,268.15

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

24. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES ...contd.

The disclosure pursuant to the said Act is as under:

DISCLOSURE UNDER MSMED ACT, 2006	As at 2017-18 (Rs. In Lakhs)	As at 2016-17 (Rs. In Lakhs)
(a) Principal amount due to suppliers under MSMED Act, 2006	-	-
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	-	-
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with Group.

25. CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Security deposits	63.26	51.95
Interest accrued but not due on borrowings	878.69	1,237.07
Interest accrued and due on borrowing	136.86	244.65
Payables for capital goods	170.88	198.43
Employee Dues	320.83	521.28
Other payables	108.04	148.38
Unpaid/unclaimed dividend	12.01	19.58
	1,690.57	2,421.34

There are no amounts due for payment to Investor Education and Protection Fund under the Companies Act, 2013

26. OTHER CURRENT LIABILITIES

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Advance from customers *	5,093.43	1,816.48
Statutory liabilities	1,600.07	1,737.52
Other liabilities	2,499.93	2,318.33
	9,193.43	5,872.33

* Advance from customers include advance received upon execution of agreement to sale related to apartments amounting to Rs. 4,235.78 Lakhs (Previous year ended March 31, 2017: Rs. 897.25 Lakhs)

27 SHORT TERM PROVISIONS

	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	243.43	243.12
Leave Encashment	11.25	10.17
	254.68	253.29

28 REVENUE FROM OPERATIONS

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Room income	10,182.91	10,554.19
Wines and liquor	3,310.13	2,188.81
Food, other beverages, smokes and banquets	9,774.44	8,789.46
Communications	22.20	38.87
Others*	4,154.29	3,518.09
	27,443.97	25,089.42
*Includes related to generation of electricity business (Refer Note on Segment Reporting)	226.54	265.79

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

29. OTHER INCOME

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Interest Received/Receivable		
From banks	**28.04**	57.66
From others	**17.61**	7.16
Excess provisions no longer required written back	**124.78**	545.28
Net gain on sale of fixed assets	**2,328.03**	455.39
Net gain on foreign currency transaction and translation (other than finance cost)	**37.30**	9.90
Miscellaneous income *	**581.46**	67.41
	3,117.22	1,142.80

* Miscellaneous Income includes income from derivative transactions amounting to Rs. 462.56 Lakhs (Previous year : NIL)

30. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
WINES AND LIQUOR		
Opening Stock	**526.04**	378.24
Add : Purchases	**1,206.35**	997.12
	1,732.39	1,375.36
Closing Stock	**(550.41)**	(526.04)
	1,181.98	849.32
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	**154.64**	151.52
Add : Purchases	**2,484.70**	2,263.52
	2,639.34	2,415.04
Closing Stock	**(189.15)**	(154.64)
	2,450.19	2,260.40
Excise duty expense	**9.57**	35.97
	3,641.74	3,145.69
Percentage of total consumption between:		
Indigenous 63.99% (Previous Year 76.77%)	**2,324.37**	2,387.33
Imported 36.01% (Previous Year 23.23%)	**1,307.80**	722.39

31. EMPLOYEE BENEFITS EXPENSES

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Salaries and wages	**4,665.30**	4,256.41
Contribution to provident and other funds	**224.93**	218.27
Contract labour and services	**1,051.22**	871.14
Staff welfare expense	**452.26**	451.75
Recruitment and training	**25.27**	40.40
	6,418.98	5,837.97

32. FINANCE COSTS

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Interest expenses	**8,807.66**	9,230.82
Other borrowing costs (including bank charges)	**1,120.63**	468.43
Applicable net loss/(gain) on foreign currency transactions and translation	**(18.36)**	226.99
	9,909.92	9,926.24

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

33. OTHER EXPENSES	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	**1,073.00**	950.54
Operating equipment and supplies written off	**168.46**	291.19
Power, fuel and light (net)	**1,658.37**	1,465.16
Repairs, maintenance and refurbishing *	**914.88**	858.42
Rent	**472.03**	173.88
Rates and taxes	**378.31**	215.32
Insurance	**90.00**	99.35
Data processing charges	**268.87**	187.84
Legal and professional charges	**495.86**	430.18
Payment to the auditors**	**47.16**	48.06
Stationery and printing	**98.87**	107.73
Travelling and conveyance	**365.57**	243.38
Guest transportation	**189.75**	183.47
Communication (including telephones for guests)	**184.15**	146.46
Technical services	**992.04**	1,007.51
Advertisement, publicity and business promotion	**448.80**	520.37
Commission and brokerage	**960.69**	865.13
Charity and donation	**5.52**	4.97
Corporate Social Responsibility (Refer Note 39)	**-**	-
Bad debts / advances written off	**2.38**	29.11
Loss on sale of fixed assets	**0.40**	-
Provision for doubtful debts / advances	**35.98**	32.07
Difference in Exchange	**-**	-
Miscellaneous	**182.80**	137.13
	9,033.89	7,997.25
* includes:		
Repairs to buildings	**218.80**	207.24
Repairs to machinery	**538.79**	472.91
**Payments to the auditors for (including service tax)		
- statutory audit	**37.69**	37.19
- tax audit fee	**4.72**	4.60
- limited review fees	**3.54**	3.45
- other services	**0.12**	1.01
- out of pocket expenses	**1.10**	1.81
	47.17	48.06

34. EARNINGS PER EQUITY SHARE	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Profit/(loss) available for equity shareholders	**(406.60)**	(1,618.09)
Weighted average numbers of equity shares outstanding	**1,94,53,229**	1,94,53,229
Nominal value per equity share (in Rupees)	**10.00**	10.00
Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	**(2.09)**	(8.32)

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

			As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)
35.	**CONTINGENT LIABILITIES AND COMMITMENTS**			
	CONTINGENT LIABILITIES			
(a)	Claims against the Company not acknowledged as debts * * pertains to cases filed by certain employees of the Company		**20.00**	20.00
(b)	Service tax demand not provided for * * pertains to a demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs (Previous year Rs. 401.10 Lakhs) which includes penalty demand of Rs. 250.00 Lakhs and excluding interest for earlier years up to 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi on 11th March 2014. Since the Company had already deposited the service tax payable, as determined by the tax authorities, before issuance of the show cause notice for levy of the penalty, it is contesting before the above appellate authorities that it is not liable to pay any penalty and interest.		**254.53**	254.53
(c)	Additional bonus liability for the financial year 2014-15 owing to amendment made in "The Payment of Bonus Act, 1965" w.r.e.f. 1st April, 2014, has not been provided for as the matter is subjudice before various High Courts in the country.		**-**	-
(d)	Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, and the Company has been made one of the respondents. The same relative has also filed a consumer complaint/petition, before the National Consumer Dispute Redressal Commission (NCDRC), against the Hyatt Hotels Corporation, Chicago and Hotel Hyatt Regency, Delhi, seeking compensation for the above injured person on various counts. Any consequence on the outcome of the above writ petition and the Consumer complaint before the NCDRC can not be ascertained.		**-**	-
(e)	Based on enquiries made by Department of Revenue Intelligence ('DRI'), the Director General of Foreign Trade, New Delhi ('DGFT') had issued a notice dated 15.12.2017 for recovery of benefits of Duty Free Credit Scripts (DFC's) under Served From India Scheme ('SFIS') announced through Foreign Trade Policies of 2004-09 and 2009-14. The Company has disputed the said recovery notice by way of a WRIT petition in the Delhi High Court and has obtained a stay, and the matter is pending adjudication. Thereafter, the DRI, Ahmedabad Unit issued a Show Cause Notice ('SCN') dated 10.01.2018 for recovery of customs duty saved by the Company using above DFC's. The Company has appropriately replied to the above SCN. In a similar matter, the Supreme Court has admitted a Special Leave Petition which is also pending adjudication		**-**	-
(f)	Petitions filed before the National Green Tribunal against grant of Costal Regulation Zone, Private Forest and Environment clearances by the competent authorities to the Company's project at Goa, are being contested by the Company. Based on legal advice received and outcome of similar cases in past, the management is hopeful of favorable outcome and does not foresee them to have any material impact on the progress of the project of the Company.		**-**	-
	Notes:			
(a)	It is not practicable to estimate the timing of cash outflows, if any, in respect of matters stated above, pending resolution of the proceedings.			
	COMMITMENTS			
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for:		**5,866.37**	4,904.03
(b)	Future commitments in respect of assets acquired under Finance Schemes:			
	Minimum installments	payable within one year	**452.18**	388.54
		later than one year but not later than five years	**3,775.66**	2,728.09
	Present value of minimum installments	payable within one year	**373.48**	306.85
		later than one year but not later than five years	**2,768.66**	1,966.26

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

36. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 17 LEASES	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
OPERATING LEASE COMMITMENS		
(a) Future minimum lease amounts receivable by the Company in respect of non-cancellable operating leases (other than land) for shops and apartments entered into by the Company:		
Not later than one year	**66.12**	123.90
Later than one year and not later than five years	**134.69**	57.14
More than five years	**-**	-
(b) Future minimum lease amounts payable by the Company in respect of non-cancellable operating leases (other than land) for other services (including rented premises) entered into by the Company :		
Not later than one year	**532.68**	136.29
Later than one year and not later than five years	**2,850.63**	202.40
More than five years	**3,511.86**	151.49

37. SEGMENT REPORTING

The Holding Company and its subsidiaries operate only in one reportable segment, i.e. Hospitality/Hotel Business at one location, namely New Delhi (India). While the Holding Company's Hotel is located at New Delhi and its ultimate subsidiary, i.e., Leading Hotels Limited is developing an all Villa Hotel Complex at Goa. Other business segment, i.e. power generation, though governed by different sets of risks and returns, however, is not a reportable segment as defined under the Indian Accounting Standard Ind AS - 108 "Operating Segments", and therefore, no separate disclosures have been made. The assets, liabilities and revenues relating to the said power generation business have, however, been disclosed in the accounts separately. The above treatment is in accordance with the guiding principles enunciated in the said Ind AS.

38. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

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

(a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 198.63 Lakhs (Previous Year Rs. 197.56 Lakhs)

(b) Defined benefit plans

- Gratuity
- Compensated absences - Earned leave

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

Economic Assumptions

The discount rate and salary increases assumed are the 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. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 7.71% p.a. (Previous Year 7.50% 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 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.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

38. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS ...contd.

The assumptions used are summarized in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2018	As at 31-03-2017	**As at 31-03-2018**	As at 31-03-2017
Discount rate(per annum)	**7.71%**	8.00%	**7.71%**	8.00%
Future salary increase	**5.00%**	5.00%	**5.00%**	5.00%
Expected rate of return on plan assets	**NA**	NA	**NA**	NA
Mortality Rates	**100% of IALM (2006 - 08)**	100% of IALM (2006 - 08)	**100% of IALM (2006 - 08)**	100% of IALM (2006 - 08)
Retirement age	**58 Years**	58 Years	**58 Years**	58 Years
Withdrawal rates				
- Up to 30 years	**3.00%**	3.00%	**3.00%**	3.00%
- From 31 to 44 years	**2.00%**	2.00%	**2.00%**	2.00%
- Above 44 years	**1.00%**	1.00%	**1.00%**	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Change in present value of the defined benefit obligation during the year				
Present value of obligation as at the beginning of the year	**585.33**	519.98	**98.61**	101.06
Interest Cost	**43.92**	41.57	**8.08**	8.08
Current Service Cost	**49.57**	42.11	**21.32**	21.32
Benefits Paid	**(63.48)**	(69.78)	**(34.46)**	(34.46)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(7.34)**	12.60	**4.57**	4.57
Actuarial (Gain)/Loss on arising from Experience Adjustment	**(27.25)**	38.85	**(1.96)**	(1.96)
Present value of obligation as at the end of the year	**580.76**	585.33	**96.16**	98.61
Change in fair value of plan assets during the year				
Fair Value of plan assets at the beginning of the year	**NA**	NA	**NA**	NA
Interest Income	**NA**	NA	**NA**	NA
Contributions by the employer	**NA**	NA	**NA**	NA
Benefits paid	**NA**	NA	**NA**	NA
Return on plan assets	**NA**	NA	**NA**	NA
Fair Value of plan assets at the end of the year	**NA**	NA	**NA**	NA
Net Asset/ (Liability) recorded in the Balance Sheet				
Present value of obligation as at the end of the year	**(580.76)**	(585.32)	**(96.16)**	(98.61)
Net Asset/ (Liability)-Current	**(243.43)**	(243.12)	**(10.17)**	(10.17)
Net Asset/ (Liability)-Non-Current	**(337.34)**	(342.20)	**(88.44)**	(88.44)
Expenses recorded in the Statement of Profit & Loss during the year				
Interest Cost	**43.92**	41.57	**8.08**	8.08
Current Service Cost	**49.57**	42.11	**21.32**	21.32
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**-**	0.00	**4.57**	4.57
Actuarial (Gain)/Loss on arising from Experience Adjustment	**-**	0.00	**(1.96)**	(1.96)
Total expenses included in employee benefit expenses	**93.49**	83.68	**32.02**	32.01

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

38. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS ...contd.

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Recognized in Other Comprehensive Income during the year				
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(7.34)**	12.60	**-**	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	**(27.25)**	38.85	**-**	-
Recognized in Other Comprehensive Income	**(34.59)**	51.45	**-**	-
Maturity profile of defined benefit obligation				
Within 12 months of the reporting period	**243.43**	243.12	**10.17**	10.17
Between 2 and 5 years	**40.43**	40.43	**13.83**	13.83
Between 6 and 10 years	**294.67**	294.67	**74.61**	74.61
Quantitative sensitivity analysis for significant assumption is as below:				
Increase/ (decrease) on present value of defined benefit obligation at the end of the year				
Half percentage point increase in discount rate	**(13.43)**	(13.43)	**(4.57)**	(4.57)
Half percentage point decrease in discount rate	**14.40**	14.40	**4.97**	4.97
Half percentage point increase in salary increase rate	**14.68**	14.68	**5.07**	5.07
Half percentage point decrease in salary increase rate	**(13.80)**	(13.80)	**(4.69)**	(4.69)

Expected contribution to the defined benefit plan for the next reporting period

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Expected contribution to the defined benefit plan for the next reporting period (Gratuity)	**167.78**	81.77
Expected contribution to the defined benefit plan for the next reporting period (Compensated Absences Earned Leave)	**85.66**	32.23

39. CORPORATE SOCIAL RESPONISIBILITY

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), the Holding Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Holding Company is required to spend at least 2% of the average net profits determined under section 198 of the Companies Act 2013 during the immediately three financial years. However, due to inadequacy of profits as per Section 198 of the Companies Act, 2013, the Holding Company is not required to spend any amount on CSR activities for Financial Year 2017-18.

Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. NIL)

40. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

		2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
(a)	Value of imports calculated on CIF basis		
	Food and beverages	**224.61**	130.11
	Stores and spares	**101.30**	40.61
	Capital goods	**270.95**	360.91
	Beverages - through canalising agencies	**1,138.49**	719.97
(b)	Expenditure in foreign currency		
	Technical services (Royalty)	**88.91**	128.97
	Technical services (Professional and consultation fees)	**105.10**	361.73
	Interest	**1,318.02**	1,522.55

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

40. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY ...contd.

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Others		
- Advertisement and publicity	**103.40**	56.52
- Commission and brokerage	**267.98**	166.06
- Recruitment and training	**-**	-
- Miscellaneous	**542.66**	159.72
(c) Earning in foreign currency		
Revenue from operations (As reported by the management of the Company and certified by an independent Chartered Accountant)	**13,247.27**	14,788.97
(d) Details of dividends paid to Non-Resident Shareholders holding shares on repatriation basis:	**2017-18**	2016-17
Final Dividend - Equity		
(i) Financial Year to which dividend relates	**-**	-
(ii) Number of non-resident shareholders	**-**	-
(iii) Number of shares held by them	**-**	-
(iv) Rupees (in Lakhs) equivalent of amount paid in foreign currency	**-**	-
(v) Amount in Rupees (in Lakhs) remitted to banks /addresses in India for which the company does not have information as to the extent to which remittance in foreign currencies have been made by or on behalf of the non-resident shareholders	**-**	-

41. DERIVATIVE INSTRUMENTS

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2017 and 31st March, 2018 are as under:

	As at 31st March, 2018		As at 31st March, 2017	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
Receivables				
Loans and advances given				
(in USD)	**1,82,465**	**118.69**	63,345	41.07
(in EURO)	**-**	**-**	1,21,243	83.96
Payables				
Trade payables				
(in USD)	**36,76,458**	**2,391.32**	41,22,633	2,673.06
Payable for capital goods				
(in USD)	**15,980**	**10.39**	-	6,16,519
(in SEK)	**28,667**	**2.24**	28,667	2.08
Borrowings				
(in USD)	**3,23,03,579**	**21,011.58**	5,00,77,191	32,469.35
Interest on Borrowings				
(in USD)	**7,69,738**	**500.67**	10,44,866	677.48

42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

(a) Individuals and his relatives having control over the Group (either directly or indirectly)

Mr. Shiv Kumar Jatia	Chairman & Managing Director
Mr. Amritesh Jatia	Non-Executive Director

(b) Companies which significantly influence the Group (either directly or indirectly)

Yans Enterprises (HK) Limited	An overseas entity
Fineline Holdings Limited	An overseas entity
Asian Holdings Pvt. Ltd.	A domestic entity

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24 ...contd.

(c) Related parties

Key Management Personnel

Mr. Shiv Kumar Jatia	Chairman & Managing Director
Ms. Anita Thapar	Whole Time Director
Mr. Tapesh Bharat Kumar Goenka	Executive Director
Mr. Sanjay Banthiya	Independent Non-Executive Director of the Subsidiary Company
Mr. Lalit Bhasin	Independent Non-Executive Director
Mr. Dinesh Chandra Kothari	Independent Non-Executive Director of the Holding Company
Mr. Amritesh Jatia	Non-Executive Director
Mr. Dipendra B Goenka	Non-Executive Director the Holding Company
Mr. Pinaki Misra	Independent Non-Executive Director the Holding Company
Mr. Ranjan Kishore Bhattacharya	Independent Non-Executive Director the Holding Company
Mr. Dinesh Kumar Jain	Company Secretary of the Holding Company
Mr. Prakash Chandra Sharma	Chief Financial Officer of the Holding Company
Ms. Anshika Jain	Company Secretary of the Subsidiary Company (Till 5th April, 2017)
Ms. Rabab Zaidi	Company Secretary of the Subsidiary Company
Mr. Ajay Kumar	Chief Financial Officer of the Subsidiary Company

Relative of Key Management Personnel

Mr. Amritesh Jatia	Director and son of Mr. Shiv Kumar Jatia
Mrs. Archana Jatia	Director and wife of Mr. Shiv Kumar Jatia
Mr. Ramesh Jatia	Brother of Mr. Shiv Kumar Jatia
Mr. Raj Kumar Jatia	Brother of Mr. Shiv Kumar Jatia

Entities controlled by Directors or their relatives

Bhasin & Co.
Energy Infrastructure (I) Limited
Godfrey Philips India Limited
Heyking Ltd., Hongkong
Deuchny Properties Ltd., Mauritius
RSJ Holdings Ltd, Mauritius
GBX Trading FZE, UAE

(d) Transactions with related parties:

	Key Management Personnel and their relatives		**Entities controlled by Directors or their relatives**		**Total**	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
	(Rs. In Lakhs)	(Rs. In Lakhs)	**(Rs. In Lakhs)**	(Rs. In Lakhs)	**(Rs. In Lakhs)**	(Rs. In Lakhs)
Room, Food, Beverages and other services	**32.10**	-	**0.17**	2.62	**32.27**	2.62
Remuneration	**350.63**	296.97	**-**	-	**350.63**	296.97
Professional Charges	**-**	-	**4.38**	4.53	**4.38**	4.53
Director's Sitting fees	**19.00**	7.40	**-**	-	**19.00**	7.40
Loan taken	**-**	-	**592.57**	30.52	**592.57**	30.52
Loan repaid	**-**	-	**484.91**	18.88	**484.91**	18.88
Interest expenses	**-**	-	**64.54**	-	**64.54**	-

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24 ...contd.

Balance Outstanding

	Payable		Receivable	
	As at 31-03-2018	As at 31-03-2017	**As at 31-03-2018**	As at 31-03-2017
	(Rs. In Lakhs)	(Rs. In Lakhs)	**(Rs. In Lakhs)**	(Rs. In Lakhs)
Key Management Personnel and their relatives	**329.78**	788.46	**7.02**	-
Entities controlled by Directors or their relatives	**40.31**	50.75	**11.06**	0.14
Total	**370.09**	839.21	**18.08**	0.14

Note:

(i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

(ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Group have been given at the respective notes.

(e) Disclosure in respect of related party-wise transactions

	2017-18	2016-17
	(Rs. In Lakhs)	(Rs. In Lakhs)
Room, Food, Beverages and other services		
Energy Infrastructure (I) Limited	**-**	0.14
Bhasin & Co.	**0.17**	0.16
Mr. Dinesh Kumar Jain	**0.08**	0.02
Godfrey Philips India Limited	**-**	2.31
Mr. Pinaki Misra	**32.02**	-
Remuneration		
Mr. Shiv Kumar Jatia*	**198.14**	181.12
Ms. Anita Thapar*	**23.39**	21.56
Mr. Dinesh Kumar Jain	**49.70**	50.37
Mr. Prakash Chandra Sharma	**66.90**	39.96
Ms. Anshika Jain	**0.20**	3.97
Ms. Rabab Zaidi	**3.28**	-
Mr. Ajay Kumar	**9.02**	-
Professional Charges		
Bhasin & Co.	**4.38**	4.53
Director's Sitting fees		
Mr. Amritesh Jatia	**-**	0.60
Ms. Anita Thapar*	**0.50**	0.40
Mr. Lalit Bhasin	**7.70**	4.00
Mr. Dinesh Chandra Kothari	**2.00**	1.60
Mr. Sanjay Banthiya	**0.80**	-
Mr. Dipendra B Goenka	**-**	0.20
Mr. Pinaki Misra	**3.20**	0.60
Mr. Ranjan Kishore Bhattacharya	**4.80**	-
Loan taken from		
Fineline Holdings Limited	**20.16**	18.22
GBX Trading FZE, UAE	**565.88**	-
Heyking Limited	**6.53**	12.30

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24 ...contd.

	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
Interest expenses		
GBX Trading FZE, UAE	**64.54**	-
Loan repayment to		
Fineline Holding Limited	**9.76**	16.28
Heyking Limited	**16.47**	-
Amritesh Jatia	**458.68**	-
Deuchny Properties Limited	**-**	2.60

Balance Outstanding

	Payable		**Receivable**	
	As at 31-03-2018 (Rs. In Lakhs)	As at 31-03-2017 (Rs. In Lakhs)	**As at 31-03-2018 (Rs. In Lakhs)**	As at 31-03-2017 (Rs. In Lakhs)
Energy Infrastructure (I) Limited	**-**	-	**-**	0.14
Bhasin & Co.	**-**	0.10	**-**	-
Mr. Lalit Bhasin	**8.49**	8.49	**-**	-
Mr. Shiv Kumar Jatia	**112.36**	112.36	**-**	-
Mr. Amritesh Jatia	**190.25**	648.93	**-**	-
Mr. Dinesh Chandra Kothari	**8.13**	8.13	**-**	-
Mr. Ramesh Jatia	**1.89**	1.89	**-**	-
Mr. Raj Kumar Jatia	**8.61**	8.61	**-**	-
Mr. Dipendra B Goenka	**0.05**	0.05	**-**	-
Mr. Pinaki Misra #	**-**	-	**7.02**	-
Heyking Limited	**31.20**	41.02	**-**	-
Fineline Holdings Limited	**9.11**	9.73	**11.06**	-

Note: The above transactions excludes changes due to exchange rate fluctuation.

* These include Provident Fund paid / payable by the employer.
# Amounts have been subseqently paid

43. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

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

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

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

   The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

   Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

   Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

   Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

43. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS ...contd.

I. Figures as at March 31, 2018

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non Current Assets									
Financial Assets									
(i) Investments	-	142.54	142.54	-	142.54	-	-	142.54	142.54
(ii) Loans	-	-	-	26.83	26.83	-	-	26.83	26.83
(iii) Others	-	-	-		-	-	-	-	-
Current Assets									
Financial Assets									
(i) Trade Receivables	-	-	-	1,200.56	1,200.56	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	871.42	871.42	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	340.10	340.10	-	-	-	-
(iv) Loans	-	-	-	-	-	-	-	-	-
(v) Others	-	-	-	2,750.75	2,750.75	-	-	-	-
	-	**142.54**	**142.54**	**5,189.66**	**5,332.20**	**-**	**-**	**169.37**	**169.37**
Non Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	98,880.44	98,880.44	-	-	-	-
(ii) Others	-	-	-	1,827.30	1,827.30	-	-	1,827.30	1,827.30
Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	15,199.14	15,199.14	-	-	-	-
(ii) Trade Payables	-	-	-	4,854.59	4,854.59	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	1,690.57	1,690.57	-	-	-	-
	-	**-**	**-**	**1,22,452.04**	**1,22,452.04**	**-**	**-**	**1,827.30**	**1,827.30**

II. Figures as at March 31, 2017

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Non Current Assets									
Financial Assets									
(i) Investments	-	-	-	-	-	-	-	-	-
(ii) Loans	-	-	-	18.90	18.90	-	-	18.90	18.90
(iii) Others	-	-	-	166.47	166.47	-	-	-	-
Current Assets									-
Financial Assets									-
(i) Trade Receivables	-	-	-	1,089.19	1,089.19	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	1,158.52	1,158.52	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	347.72	347.72	-	-	-	-
(iv) Loans	-	-	-	100.00	100.00	-	-	-	-
(v) Others	-	-	-	936.40	936.40	-	-	-	-
	-	**-**	**-**	**3,817.21**	**3,817.21**	**-**	**-**	**18.90**	**18.90**
Non Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	1,03,002.28	1,03,002.28	-	-	-	-
(ii) Others	-	-	-	1,724.98	1,724.98	-	-	1,724.98	1,724.98
Current Liabilities									
Financial Liabilities									
(i) Borrowings	-	-	-	12,427.22	12,427.22	-	-	-	-
(ii) Trade Payables	-	-	-	4,268.15	4,268.15	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	2,421.34	2,421.34	-	-	-	-
	-	**-**	**-**	**1,23,843.97**	**1,23,843.97**	**-**	**-**	**1,724.98**	**1,724.98**

During the reporting period ending March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board.

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in it total portfolio.

The Group is not exposed to significant interest rate risk as at the specified reporting date.

Refer Note 19 and Note 22 for interest rate profile of the Group's interest-bearing financial instrument at the reporting date.

Foreign currency risk

The Holding Company and one of the subsidiary company operates locally whereas two of the subsidiaries operates outside India, however, the nature of its operations requires it to transact in in several currencies and consequently the Group is exposed to foreign exchange risk in various foreign currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies.

I. Foreign Currency Exposure

Refer Note 41 for foreign currency exposure as at March 31, 2018 and March 31, 2017 respectively.

II. Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

Currency	**2017-18**		2016-17	
	1% Increase	**1% Decrease**	1% Increase	1% Decrease
USD	**(237.95)**	**237.95**	(357.79)	357.79
Euro	**-**	**-**	0.84	(0.84)
GBP	**-**	**-**	-	-
SGD	**-**	**-**	-	-
SEK	**(0.02)**	**0.02**	(0.02)	0.02
Total	**(237.98)**	**237.98**	(356.97)	356.97

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the Group compares the risk of a default occurring an the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

(i) Actual or expected significant adverse changes in business,

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to mere its obligation,

(iv) Significant increase in credit risk on other financial instruments of the same counterparty.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...contd.

(v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorizes a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

(Rs. In lakhs)

Particulars	**As at 31-03-2018**	As at 31-03-2017
Non-current financial assets - Loans	**26.83**	114.49
Current financial assets - loans	**-**	999.93
Total (A)	**26.83**	1,114.42

II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

Particulars	**As at 31-03-2018**	As at 31-03-2017
Trade Receivables	**1,200.56**	1,089.18
Total (A)	**1,092.54**	1,089.18
Grand Total (A+B)	**1,119.37**	2,203.60

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

(Rs. In lakhs)

Particulars	**As at 31-03-2018**	As at 31-03-2017
Up to 3 months	**616.82**	320.10
3 to 6 months	**128.25**	292.44
More than 6 months	**347.47**	476.64
Total	**1,092.54**	1,089.18

IV. Provision for expected credit losses again "II" and "III" above

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Group believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

Liquidity Risk

Liquidity Risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	**As at 31-03-2018**			As at 31-03-2017		
	Less than 1 year	**1 to 5 years**	**Total**	Less than 1 year	1 to 5 years	Total
Non-current financial liabilities - Borrowings	**-**	**98,926.62**	**98,926.62**	-	1,03,002.28	1,03,002.28
Non-current financial liabilities - Others	**-**	**1,827.30**	**1,827.30**	-	1,724.98	1,724.98
Current financial liabilities - Borrowings	**15,199.14**	**-**	**15,199.14**	12,427.22	-	12,427.22
Current financial liabilities - Trade Payables	**4,854.59**	**-**	**4,854.59**	4,268.16	-	4,268.16
Current financial liabilities - Others	**1,404.56**	**0.01**	**1,404.57**	1,751.68	-	1,751.68
Total	**21,458.29**	**1,00,753.93**	**1,22,212.22**	18,447.05	1,04,727.26	1,23,174.32

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES ...contd.

Capital management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximize shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The Group monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	As at 31-03-2018	As at 31-03-2017
Total Debt	**1,14,079.58**	1,05,561.55
Equity	**72,068.90**	72,068.90
Capital and net debt	**1,86,148.48**	1,77,630.45
Gearing ratio	**61.28%**	59.43%

45. ADDITIONAL DISCLOSURE AS REQUIRED BY PARAGRAPH 2 OF SCHEDULE - III

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule - III to the Act

Name of the Enterprise	Net assets i.e. Total assets minus total liabilities		Share in Profit or Loss	
	As a % of consolidated net assets	(Rs. In Lakhs)	As a % of consolidated profit or loss	(Rs. In Lakhs)
Parent				
Asian Hotels (North) Limited	84.46	62,394.10	31.11	(88.75)
Subsidiaries				
Indian				
Leading Hotels Limited	13.33	9,843.92	28.95	(82.57)
Foreign				
Fineline Hospitality & Consultancy Pte Limited, Mauritius	(0.06)	(44.35)	1.83	(5.21)
Lexon Hotel Ventures Limited, Mauritius	(1.00)	(739.96)	26.25	(74.87)
Minority Interest in all subsidiaries	3.28	2,420.02	11.86	(31.65)

46. Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped or reclassified to confirm to Ind AS presentation requirements.

The accompanying notes are integral part of the financial statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & CO
Chartered Accountants
Firm Registration Number: 102511W

HARISH B PATEL
Partner
Membership Number: 014427

ON BEHALF OF THE BOARD OF DIRECTORS

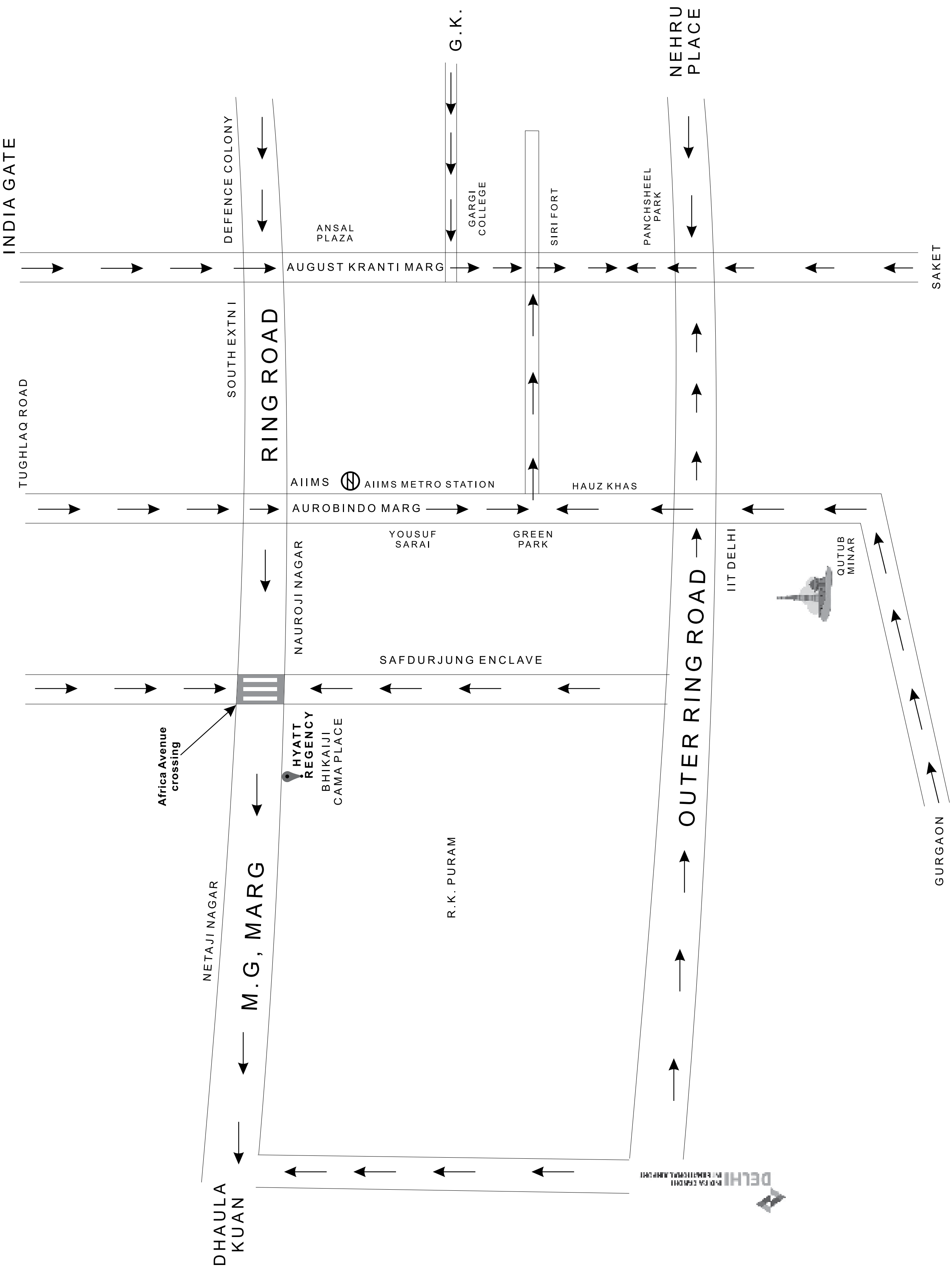
SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DR. LALIT BHASIN
Director & Chairman of Audit Committee
DIN: 00001607

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President-Corporate Affairs & Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 28th May, 2018


INDIA GATE
DEFENCE COLONY
G.K.
NEHRU PLACE
GARGI COLLEGE
SIRI FORT
PANCHSHEEL PARK
ANSAL PLAZA
AUGUST KRANTI MARG
SAKET
SOUTH EXTN I
RING ROAD
TUGHLAQ ROAD
AIIMS
AIIMS METRO STATION
HAUZ KHAS
AUROBINDO MARG
YOUSUF SARAI
GREEN PARK
IIT DELHI
QUTUB MINAR
NAUROJI NAGAR
SAFDURJUNG ENCLAVE
OUTER RING ROAD
Africa Avenue crossing
HYATT REGENCY
BHIKAIJI CAMA PLACE
R.K. PURAM
GURGAON
NETAJI NAGAR
M.G, MARG
DHAULA KUAN

Notes

ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037
Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi – 110066
Tel: 011 66771225/26; Fax: 011 26791033
Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

Form No. MGT-11

Proxy Form

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

Name of member(s): ....

Registered Address: ....

E-mail ID: ....

Folio No./DP ID & Client ID : ....

I/We, being the member(s), holding …………............................... shares of the above named company, hereby appoint:

1. Name : .... Address : ....

   E-mail ID : .... Signature : ....or failing him/her

2. Name : .... Address : ....

   E-mail ID : .... Signature : ....or failing him/her

3. Name : .... Address : ....

   E-mail ID : .... Signature : ....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Tuesday, the 31st July, 2018, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi, Bhikaiji Cama Place, M. G. Marg, New Delhi-110066 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Subject matter of the Resolutions		Optional	
			For	Against
Ordinary Business				
1	Adoption of the Audited Stand-alone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018	OR		
2	Re-appointment of Mr. Dipendra Bharat Goenka (DIN: 01969285) who retires by rotation and being eligible, offers himself for re-appointment	OR		
Special Business				
3	Re-appointment of Mr. Shiv Kumar Jatia (DIN: 00006187) as Managing Director of the Company	SR		
4	Payment of remuneration to the non-executive directors by way of commission on profit	SR		
5	Authorisation to give loan; give guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate in pursuance of Section 186 of the Companies Act, 2013	SR		

Signed this .... day of 2018

....

Signature of the shareholder(s) Signature of proxy holder(s)

Revenue Stamp

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.**
2. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
3. Please ensure that the Proxy Form is filled in completely and signed by the shareholder(s) as well as the proxy holder(s) before depositing with the Company, as aforesaid. Please affix a Re. 1/- revenue stamp and cancel the same either by striking a cross (X) across the stamp or by signing across the stamp.
4. The Proxy Form submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions or authorizations, as applicable.
5. Pursuant to Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
6. You may exercise your option by putting a 'X' in the appropriate column against the resolutions indicated in the box. If you leave both the columns blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
7. **OR** stands for 'Ordinary Resolution' and **SR** for 'Special Resolution'.

ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037
Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi – 110066
Tel: 011 66771225/26; Fax: 011 26791033
Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

PROFORMA FOR REGISTRATION/UP-DATION OF NECS MANDATE

Karvy Computershare Private Limited
Unit: Asian Hotels (North) Limited
Karvy Selenium-Tower B
Plot No. 31 & 32, Financial District
Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032

Folio No.------------------

Dear Sirs,

I/We hereby give my/our mandate to credit my/our dividend, in respect of shares held by me/us in **Asian Hotels (North) Limited** under the aforesaid folio, directly to my/our bank account through National Electronic Clearing Service (NECS). The details of the bank account are given below:

A	Name of the Bank		
B	Branch Name & Address		
C	Account Number		
D	Type of Account	Saving	Current/Other
E	Nine Digit MICR Code No.		
F	Indian Financial System Code (IFS Code)		

Please attach a duly signed blank "cancelled" cheque along with this authorization form.

I/We hereby declare that particulars given above are correct and complete. If the transaction is delayed or credit is not affected due to incomplete or incorrect information, I/We will not hold the Company or its share transfer agents responsible for the same.

Date:
Place:

Signature of the sole/first holder
Name & Address of the shareholder

(Please ignore, if you have already registered/up-dated your NECS details)

ASIAN HOTELS (NORTH) LIMITED

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Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

PROFORMA FOR REGISTRATION/UP-DATION OF E-MAIL IDs

Karvy Computershare Private Limited
Unit: Asian Hotels (North) Limited
Karvy Selenium-Tower B
Plot No. 31 & 32, Financial District
Nanakramguda
Serilingampally Mandal
Hyderabad – 500 032

Folio No.------------------

Dear Sirs,

Please register/up-date my/our e-mail ID for forwarding all official communications including the general meeting notices/postal ballot notices/annual reports etc. of the Company through electronic mail. My/our e-mail ID is as follows:

E-mail ID:

Date:
Place:

Signature of the sole/first holder
Name & Address of the shareholder

(Please ignore, if you have already registered/up-dated your e-mail ID)

ASIAN HOTELS

Asian Hotels (North) Limited
CIN: L55101DL1980PLC011037
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Website: www.asianhotelsnorth.com   E-mail: investorrelations@ahlnorth.com