

T H I R T E E N T H

*Annual*

*Report*

*2019 - 20*

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



HYATT  
REGENCY  
MUMBAI



JW MARRIOTT  
NEW DELHI AEROCITY

**BOARD OF DIRECTORS**

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

**CHIEF FINANCIAL OFFICER**

Mr. Rakesh Kumar Aggarwal

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Vivek Jain

**STATUTORY AUDITORS**

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

**BANKER**

Yes Bank Limited

**REGISTERED OFFICE & INVESTOR  
RELATIONS DEPARTMENT**

**CIN: L55101DL2007PLC157518**

6th Floor, Aria Towers,  
J.W. Marriott, New Delhi Aerocity,  
Asset Area 4, Hospitality District,  
Near IGI Airport, New Delhi - 110 037  
Phone : 91 11 4159 7315  
Website: [www.asianhotelswest.com](http://www.asianhotelswest.com)

**REGISTRAR & SHARE TRANSFER AGENTS**

KFin Technologies Private Limited  
Karvy House  
Karvy Selenium Tower-B,  
Plot No 31 & 32, Financial District,  
Nanankramguda, Serilingampally Mandal,  
Hyderabad -500032  
Tel No. : 040-23420815-24  
Fax No. : 040-23420814  
E Mail : [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

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# ASIAN HOTELS (WEST) LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 13<sup>th</sup> Annual Report and Audited Financial Statements of your Company for the Financial Year ended on 31<sup>st</sup> March, 2020.

## FINANCIAL SUMMARY

(Rupees in Crores)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
<b>Total Income (including other income)</b>	<b>143.12</b>	159.16	<b>441.40</b>	456.91
Profit before Interest, depreciation, amortization, tax and exceptional items	<b>38.53</b>	50.02	<b>162.93</b>	173.15
Finance Income	<b>(0.26)</b>	(0.26)	<b>(5.73)</b>	(2.00)
Finance Cost	<b>27.03</b>	26.25	<b>107.42</b>	90.09
Depreciation and amortization expense	<b>8.93</b>	7.46	<b>52.01</b>	46.75
<b>Profit Before Tax</b>	<b>2.84</b>	16.58	<b>9.22</b>	38.31
<b>Provision for Taxation</b>				
– Current Tax	<b>0.78</b>	4.59	<b>0.78</b>	4.59
– MAT Credit Entitlement	<b>0.67</b>	(0.38)	<b>0.67</b>	(0.38)
– Earlier year Tax	<b>(0.00)</b>	0.01	<b>(0.00)</b>	0.01
– Deferred Tax Charge (Credit)	<b>(2.20)</b>	(14.31)	<b>6.78</b>	(40.36)
<b>Profit After Tax</b>	<b>3.59</b>	26.66	<b>0.99</b>	74.45
– Other Comprehensive Income/(Loss)	<b>0.28</b>	(0.03)	<b>0.54</b>	0.02
<b>Total Comprehensive Income/(Loss)</b>	<b>3.87</b>	26.63	<b>1.53</b>	74.46

## IMPACT OF COVID – 19

In the last months of FY 2019-20, the pandemic COVID-19 developed rapidly into a global crisis. The operations of the Company's hotel were adversely impacted by way of reduction in occupancy in February and March 2020 due to social distancing norms, travel restrictions and subsequent nationwide lockdown announced by Government of India. Your Company initiated various measures to contain the impact from COVID -19 with the health and well-being of all employees and guests and minimizing disruption to services, rationalise resources and initiatives to uplift revenue and to conserve cash. The Company is undertaking all necessary cost saving measures, like reduction in employees salaries, non declaration of commission to Directors of the Company for the Financial year 2019-20.

## REVIEW OF OPERATIONS/ COMPANY'S AFFAIR

The Total Income of the Company for the financial year under review was ₹ 143.12 Crores as against ₹ 159.16 Crores for the previous financial year ended on 31st March, 2019. The Profit before Interest, depreciation, amortization, tax and exceptional items of the Company for the financial year under review was ₹ 38.53 Crores as against ₹ 50.02 Crores for the previous financial year ended on 31st March, 2019. The profit before tax (after interest and depreciation) was ₹ 2.84 Crores and total comprehensive income after tax was ₹ 3.87 Crores for the financial year ended on 31st March, 2020 as against ₹ 16.58 Crores and ₹ 26.63 Crores respectively for the previous year ended on 31st March, 2019.

## DIVIDEND

The Board of Directors has not recommended/ declared dividend on the Equity shares/ Preference shares of the Company respectively, for the FY 2019-20.

## CONSOLIDATED FINANCIAL STATEMENTS

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

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

# ASIAN HOTELS (WEST) LIMITED

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## SUBSIDIARY COMPANY

As on date, your Company has one Subsidiary Company - Aria Hotels and Consultancy Services Private Limited (ARIA). ARIA is the owner of 523 rooms 5-Star deluxe hotel under the brand J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, New Delhi. During the year under review, Hotel JW Marriott, New Delhi has won various accolades like:

- Ranked among the top 52 restaurants & bars – Asia Pacific by Marriott international in April, 2019.
- In August, 2019, K3 restaurant was also awarded with Favorite Indian Restaurant (In a Hotel) by PeakLife Gourmet Awards 2019 and Best World Cuisine by Food Award 2019 in November, 2019.
- In September, 2019 Hotel JW Marriott has won the “Best Hotel in New Delhi” – award by Business Traveler Awards 2019 Asia-Pacific and the Hotel was also awarded with Best Luxury Hotel in New Delhi – by ET Now, Greenotels Award for Extra Large Format Hotel (250+ ROOMS)” by Greenotels, “Best Initiative in Sustainable Development and Social Responsibility” awarded by ET Now and 2019 Sustainable Hotel for South Asia in the Luxury Segment” by Marriott International in December, 2019.

ARIA is a material subsidiary of the Company. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy is available on the Company's website at [www.asianhotelswest.com/Policies](http://www.asianhotelswest.com/Policies).

## CAPITAL STRUCTURE

During the year under review, there was no change in the Authorised share capital of your Company. The Authorised share capital of the Company is ₹ 40 Crore. The paid up equity share capital as at March 31, 2020 stood at ₹ 11,65,12,100. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

## INVESTMENT MADE DURING THE YEAR

During the period under review Company has not made any Investment.

## DEBT

Total outstanding Term Loan as on 31st March, 2020 is ₹ 230.28 Crores (Last year ₹ 229.56 crores). After adjustment of ancillary borrowing cost as per India Accounting Standards, the amount of outstanding debt as on 31st March, 2020 is ₹ 218.46 Crores.

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

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Further, during the period under review the Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mrs. Vinita Gupta as an Additional Director with effect from December 23, 2019 and recommended the same for the approval by the members of the Company. The shareholders of the Company in its Meeting (EGM) held on 11th March, 2020 had appointed Mrs. Vinita Gupta as Non-executive Director of the Company liable to retire by rotation.

All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and Listing Regulations. They have declared that they do not suffer from any disqualification specified under the Act.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

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

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

# ASIAN HOTELS (WEST) LIMITED

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## MANAGEMENT DISCUSSION AND ANALYSIS AND BUSINESS RESPONSIBILITY REPORT

The Management Discussion and Analysis as required under regulation 34(2)(e) of the Listing Regulations and Business Responsibility Report as required under regulation 34(2)(f) of the Listing Regulations is annexed as **Annexure 4** herewith and forms a part of this report.

## CORPORATE GOVERNANCE

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

As required by regulation 34 of the Listing Regulations, a Report on Corporate Governance for the Financial Year 2019-20, along with Practicing Company Secretary Certificate on Corporate Governance is annexed as **Annexure 5** herewith and forms a part of this report.

## COMPLIANCE UNDER COMPANIES ACT, 2013

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

- **Extract of Annual Return**

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

- **Board and Committee Meetings**

During the year, five (5) Board meetings were held. The Meetings were held on May 21, 2019, August 12, 2019, November 12, 2019, December 23, 2019 and February 14, 2020. The intervening gap between the meetings was within the period prescribed under the Section 173 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of all Board and Committee meetings held are given in the Corporate Governance Report annexed herewith for the Financial Year ended March 31, 2020.

The Board meeting dates were finalized in consultation with all Directors and agenda papers backed up by comprehensive notes and details background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

- **Directors' Responsibility Statement**

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

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

- **Auditors & Auditors' Report**

M/s S.R. Batliboi & Co., LLP, Chartered Accountants, (Firm Registration No 301003E/E300005) were appointed in compliance with provisions of the Companies Act, 2013 read with the rules made thereunder in the 10th AGM of the Company for period of 5 years upto conclusion of 15th AGM of the Company.

The Report of the Statutory Auditor along with Annexures forms a part of this Annual Report. The Auditors' Report to the Members for the year under review issued with unmodified opinion.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

- **Internal Audit**

M/s. RSM Astute Consulting Private Limited, (Company Registration No 156827) the internal auditors of the Company for the financial year 2019-20 have conducted periodic audit of all operations of the Hotel Hyatt Regency, Mumbai. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

- **Secretarial Audit**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed M/s PI & Associates, Company Secretaries (Partnership Firm Registration No P2014UP035400) to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2020.

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

- **Cost Audit**

In terms of Rule 8 of the Companies (Accounts) Amendment Rules, 2018 read with Section 148 of the Companies Act, 2013, the Central Government has not specified the maintenance of cost records under Section 148 of the Companies Act, 2013, for the services provided by the Company.

- **Compliance with Secretarial Standards on Board and General Meetings**

The Company has complied with all the applicable provisions of Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India and notified by Central Government.

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

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note No 48 to the standalone financial statements.

- **Related Party Transactions**

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

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

There was no materially significant transaction with related parties during the Financial Year 2019-20 and none of the transactions with any of related parties were in conflict with the Company's interest.

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

Suitable disclosure as required under Ind-AS-24 has been made in Notes to the Financial Statements.

- **Material Changes and commitments, if any affecting the Financial Position of the Company which have occurred between March 31, 2020 and date of report.**

In the last months of FY 2019-20, the pandemic COVID-19 developed rapidly into a global crisis. The operations of the Company's hotel were adversely impacted by way of reduction in occupancy in February and March 2020 due to travel restrictions and subsequent nationwide lockdown announced by Government of India.

Both the Hotels (owned by the Company and Subsidiary) were partially closed during lock down, as a result, revenue of both the hotels was dropped drastically as compared to same period of previous year.

- **Change in the Nature of Business, if any**

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

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

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

- **Risk Management Policy**

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

- **Committees of the Board**

- a) **Audit Committee**

In terms of section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, your company has in place audit committee of Board of Directors with Mr. Raj Kumar Bhargava as the Chairperson of the Committee, Mr. Surendra Singh Bhandari and Mr. Surinder Singh Kohli as members.

The terms of reference of Audit Committee are confined to the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with Part-C of Schedule II of the Listing Regulations.

The details of meetings with attendance thereof and terms of reference of audit committee have been provided in the Corporate Governance Report which forms part of this report.

**b) Stakeholder's Relationship Committee**

The Company has also formed Stakeholder's Relationship Committee in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The details about the composition of the said committee of the Board of Directors along with the attendance thereof have been provided in the Corporate Governance Report which forms part of this report.

**c) Nomination and Remuneration Committee**

In terms of section 178 of the Companies Act, 2013 read with the Companies (Meeting of the Board and Power) Rules, 2014 and Regulation 19 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, your Company has in place duly constituted Nomination and Remuneration Committee of Board of Directors. The details of the composition of the committee along with other details have been provided in the Corporate Governance Report which forms part of this report.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at [www.asianhotelswest.com/Policies](http://www.asianhotelswest.com/Policies).

**d) Corporate Social Responsibility (CSR) Committee**

In terms of section 135 of the Companies Act, 2013 and rules framed thereunder, the Company has duly constituted a Corporate Social Responsibility Committee to recommend and monitor expenditure on CSR. The committee comprises of Mr. Sudhir Gupta as the Chairperson and Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari as members.

Based on the recommendations of the CSR Committee, the Company has laid down a CSR Policy, which is displayed on the website of the company. The policy on Corporate Social Responsibility (CSR) is adopted by the Company to align its philosophy to initiate measures and pursue socially useful programmes with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made there under. The link of the said policy is [www.asianhotelswest.com/Policies](http://www.asianhotelswest.com/Policies).

During the year Company has contributed ₹ 10,35,000/- (Rupees Ten Lacs Thirty Five Thousand only) towards Corporate Social Responsibility (CSR). The committee met once during the financial year ended March 31, 2020. The Report on CSR activities is attached as **Annexure 10** to this Report.

**e) Risk Management Committee**

Your Company has constituted Risk Management Committee as required under the Listing Regulations to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis.

• **Public Deposits**

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

• **Amount Transferred to Reserves**

During the year under review, your company has not transferred any amount to reserves for the financial year ended March 31, 2020.

• **Internal Control System and their Adequacy**

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

• **Performance Evaluation**

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

# ASIAN HOTELS (WEST) LIMITED

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

The Directors expressed their satisfaction to the above.

- **Significant Material Orders Passed By Regulators**

No significant material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

- **Vigil Mechanism / Whistle Blower Policy**

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

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

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

- **Green Initiatives**

Electronic copies of the Annual Report and notice of the 13th AGM are sent to all the members whose email addresses are registered with the Company /Depository Participant(s).

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

- **Prevention of Sexual Harassment at Workplace**

The Company has zero tolerance policy against sexual harassment defined as any unwelcome sexually determined behavior. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, the Company has constituted Internal Complaints Committees (ICC) for Hotel Hyatt Regency, Mumbai. Ms. Shilpi Sinha is the presiding officer for Hyatt Regency Mumbai. During the year under review, your Company received 2(two) complaints on sexual harassment, which have been resolved and appropriate action taken, wherever necessary. There are no pending cases.

- **General**

Your Directors state that no disclosure or reporting in respect of the following items, as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

## **ACKNOWLEDGEMENT AND APPRECIATION**

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors would like to express their sincere appreciation and gratitude to the Company's valued customers, the Government of India, State Governments, various Financial Institution(s) and Banks for their continued support and confidence in the Company. The Board would also like to place on record its deep sense of appreciation for the continued confidence reposed in the Company by the Shareholders as well as the sincere efforts put in by the executives and staff at all levels for progress of the Company.

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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



# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 1 TO THE DIRECTORS' REPORT

### Form AOC-1

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

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

##### Part "A": Subsidiaries

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

S. No.	Particulars	Details
1.	Name of the subsidiary	Aria Hotels And Consultancy Services Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March, 2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Not Applicable
4.	Share capital	13602
5.	Reserves & surplus	(1889)
6.	Total assets	90224
7.	Total Liabilities	90224
8.	Investments	Nil
9.	Turnover	29876
10.	Profit before taxation	621
11.	Provision for taxation	Nil
12.	Profit after taxation	(275)
13.	Total comprehensive income	(249)
14.	Proposed Dividend	Nil
15.	% of shareholding	99.98

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

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

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

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

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

**SUSHIL KUMAR GUPTA**  
Chairman & Managing Director  
DIN : 00006165

**SANDEEP GUPTA**  
Executive (Whole Time) Director  
DIN : 00057942

**RAKESH KUMAR AGGARWAL**  
Chief Financial Officer  
PAN No.: AAAPA3338D

**VIVEK JAIN**  
Company Secretary  
Membership No. : FCS - 7204

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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

Sl. No	Name of the employee	Designation of the employee	Remuneration received (In Rupees)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of such employee (years)	Last employment held by such employee before joining the Company	Percentage of equity shares held by the Employee in the Company within the meaning of clause (iii) of sub-rule (2) above and	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
<b>(A) The names of top ten employees in terms of remuneration drawn</b>										
1	Mr. Sushil Kumar Gupta	Chairman and Managing Director	2,49,45,966	Up to 31 <sup>st</sup> October, 2024 (Contractual-Liable to retire by rotation)	F.S.C,CHA (57 years)	26.04.2007	76	Asian Hotels Limited	7.54%	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and father of Mr. Sandeep Gupta and Husband of Mrs. Vinita Gupta
2	Mr. Sandeep Gupta	Executive (Whole-time ) Director	1,82,01,954	Up to 9 <sup>th</sup> May, 2025 (Contractual-Liable to retire by rotation)	B.com (Hons) SRCC, New Delhi, MBA from Notre Dame University, U.S.A., Specializing in Finance & Marketing, PDP- Cornell University (29 years)	26.04.2007	52	Asian Hotels Limited	5.54%	Mr. Sandeep Gupta is the son of Mr. Sushil Kumar Gupta and Mrs. Vinita Gupta and nephew of Mr. Sudhir Gupta
3	Mr. Sudhir Gupta	Executive (Whole-time ) Director	1,53,68,317	Up to 9 <sup>th</sup> May, 2025 (Contractual-Liable to retire by rotation)	Graduate from HKIS, Hong Kong (37 years)	26.04.2007	61	Asian Hotels Limited	1.84%	Mr. Sudhir Gupta is the Brother of Mr. Sushil Kumar Gupta and uncle of Mr. Sandeep Gupta
4	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	1,48,18,499	Permanent	Hotel Management Graduate (20 years)	09.12.2015	46	EAM Room, Grand Hyatt, Doha	NIL	None
5	Mr. Amit Gupta	Senior Vice President -Finance	71,64,939	Permanent	FCA,ICWA (24 years)	02.01.2008	47	AVP Finance, City Max Hotels, Landmark Group, Mumbai	NIL	None
6	Mr. Rakesh Kumar Aggarwal	C.F.O.	67,50,068	Permanent	FCA (43 years)	01.04.2015	67	VP- Finance- Aria Hotels and Consultancy Serves Pvt. Ltd.	NIL	None
7	Mr. Nilesh Fedane	Director of Sales and Marketing, Hyatt Regency, Mumbai	39,08,457	Permanent	PHD in Marketing	05.03.2018	44	Director of Sales at Maratha Sahar, Mumbai	Nil	None
8	Mr. Nitin Kerkar	Director of Engineering, Hyatt Regency, Mumbai	37,71,789	Permanent	Marine Engineering (24 years)	24.07.2006	45	Factory Manager at Suparna Chemicals	Nil	None
9	Mr. Vivek Jain	Company Secretary & Compliance Officer	37,30,880	Permanent	FCS (15 years)	01.10.2015	38	Company Secretary- MBL Infrastructures Limited	Nil	None

ANNEXURE 2 TO THE DIRECTORS' REPORT

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

Sl. No	Name of the employee	Designation of the employee	Remuneration received (In Rupees)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of such employee (years)	Last employment held by such employee before joining the Company	Percentage of equity shares held by the Employee in the Company within the meaning of clause (iii) of sub-rule (2) above and	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
10	Mrs. Shilpi Sinha	Director of Finance, Hyatt Regency Mumbai	36,43,705	Permanent	FCA, CPA (15 years)	04.05.2018	40	Director of Finance – JW Marriott Juhu	Nil	None

(B) Personnel who are in receipt of remuneration aggregating not less than ₹ 1.02 Crores per annum and employed throughout the year :

1	Mr. Sushil Kumar Gupta	Chairman and Managing Director	249,45,966	Up to 31st October, 2024 (Contractual-Liable to retire by rotation)	F.S.C,CHA (57 years)	26.04.2007	76	Asian Hotels Limited	7.54%	Mr. Sushil Kumar Gupta is the Brother of Mr. Sudhir Gupta and father of Mr. Sandeep Gupta and Husband of Mrs. Vinita Gupta
2	Mr. Sandeep Gupta	Executive (Whole-time) Director	182,01,954	Up to 9th May, 2025 (Contractual-Liable to retire by rotation)	B.com (Hons) SRCC, New Delhi, MBA from Notre Dame University, U.S.A., Specializing in Finance & Marketing, PDP-Cornell University (29 years)	26.04.2007	52	Asian Hotels Limited	5.54%	Mr. Sandeep Gupta is the son of Mr. Sushil Kumar Gupta and Mrs. Vinita Gupta and nephew of Mr. Sudhir Gupta
3	Mr. Sudhir Gupta	Executive (Whole-time ) Director	153,68,317	Up to 9th May, 2025 (Contractual-Liable to retire by rotation)	Graduate from HKIS, Hong Kong (37 years)	26.04.2007	61	Asian Hotels Limited	1.84%	Mr. Sudhir Gupta is the Brother of Mr. Sushil Kumar Gupta and uncle of Mr. Sandeep Gupta
4	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	14,818,499	Permanent	Hotel Management Graduate (20 years)	09.12.2015	46	EAM Room, Grand Hyatt, Doha	NIL	None

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

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

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

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

## ANNEXURE 3 TO THE DIRECTORS' REPORT

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

- I) The ratio of the remuneration of each of the Executive Director to the Median remuneration of the employees of the Company for the financial year 2019-20; and
- II) The percentage increase in remuneration of each of the Executive Director, Chief Financial Officer, Company Secretary during the financial year 2019-20.

S. No.	Name of Director / KMP and Designation	The ratio of the remuneration of each Executive Director to the median remuneration of the employees	The percentage increase in remuneration
1	Mr. Sushil Kumar Gupta, Chairman & Managing Director	69.26:1	6.91*
2.	Mr. Sudhir Gupta, Executive (Whole-Time) Director	42.67:1	10.00#
3.	Mr. Sandeep Gupta, Executive (Whole- Time) Director	50.54:1	10.00#
4.	Mr. Rakesh Kumar Aggarwal, (CFO)	NA	7.03
5.	Mr. Vivek Jain (Company Secretary)	NA	7.14

\* as per the shareholders approval in the 10<sup>th</sup> and 12<sup>th</sup> AGM of the Company held on 11<sup>th</sup> July, 2017 and 17<sup>th</sup> August, 2019 respectively.

# as per the shareholders approval in the 10<sup>th</sup> AGM of the Company held on 11<sup>th</sup> July, 2017

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

- III) **The percentage increase in the median remuneration of employees in the financial year:** The percentage increase in the median of employees in the financial year 2019-20 was

**14.86 %**

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

The Number of permanent employees on the roll of the Company as on 31<sup>st</sup> March, 2020 was **422**

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

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is approx 5.50% and whereas the percentile increase in the managerial remuneration for the same period was approx 8.97% which was in terms of shareholders approval at the 10<sup>th</sup> AGM of the Company held on 11<sup>th</sup> July, 2017 and 12<sup>th</sup> AGM of the Company held on 17<sup>th</sup> August, 2019.

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

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

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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

### MANAGEMENT DISCUSSION AND ANALYSIS

Towards the end of the FY 2019-20, pandemic COVID-19, spread throughout the world at an alarming rate in a matter of a few months. The WHO declared COVID-19 a global pandemic on 11<sup>th</sup> March, 2020. The global economy was already not in a very good shape, COVID-19 further aggravated the stress, impacting growth rates even further by bringing ordinary life to a standstill. Along with the manufacturing sector and industries such as real estate, construction, automotive, luxury retail, etc. travel and tourism, that includes hospitality, airlines, cruise liners, road and railway transport, travel and tour operators have taken a major impact of the pandemic.

The tourism industry has been affected both in terms of the demand for its products and its people. The government's response to the situation, which includes social distancing norms, global travel advisories, banning of International Flights, suspension of visas, prohibition against mass gatherings, cancellation of sporting and cultural events, halting of interstate transport, railways, etc. has impacted the hospitality industry.

### INDIAN ECONOMY (Pre Covid-19)

The IMF had revised India's growth rate to 4.2% in 2019 in the World Economic Outlook released in January, 2020, from its earlier projection of 6.8%. A sharp decline in domestic consumption and private investment, stress caused by the liquidity crisis at Non-Banking Financial Companies (NBFCs) and weakening credit growth had prompted the revision. Sluggish global growth caused by the downturn in manufacturing, trade and demand had also adversely impacted the Indian economy. However, the services sector continued to outperform the industrial and agricultural sectors in terms of gross value added (GVA), with service exports outperforming goods exports in the recent years. The government's fiscal stimulus through the lowering of corporate tax rates, merger of public sector banks, focus on manufacturing, support for affordable housing, together with the Reserve Bank of India's monetary stimulus through the reduction in policy rates, and subdued oil prices were expected to propel the Indian economy. (Source: Economic Survey 2019-20)

Indian Economy Outlook: The Indian government has announced a series of fiscal stimulus packages and subsidies to support small and medium-sized enterprises, farmers, migrant labour, etc. It has also introduced six-month moratoriums on loans through banks, automatic collateral-free loans to small businesses, reduced withholding tax rates and extended payment due dates. The RBI too has announced a series of monetary measures to mitigate the risk of a liquidity crisis during economic recovery apart from reducing lending rates to offset a likely credit crunch. RBI recently announced one time restructuring for the Companies affected by Covid, however policy guidelines from banks are still awaited. In the post-COVID-19 scenario, India's growth rate for 2020 was projected by the IMF in April, 2020 at 1.9%, assuming that the pandemic is brought under control and containment efforts can be gradually scaled back, restoring consumer and investor confidence. However, a recent World Bank Report projects India's economy to shrink by 3.2% in the current fiscal due to the coronavirus halting economic activity, the COVID-19 pandemic and the multiphased lockdown imposed to control the spread. (Source: IMF World Economic Outlook, May 2020 and World Bank Global Economic Prospects, June, 2020).

### Recent Developments

India saw a steep decline in its growth rate in the July-September quarter of 2019, when Gross Domestic Product (GDP) was at its lowest in 7 years at 4.5 percent. Several sectors such as real estate, aviation, automobile and construction sectors suffered a constant decline in demand.

To revive the Indian economy and improve its growth rate, the Central Government announced and undertook several measures and initiatives.

- With an aim to take Indian Economy to USD 5 billion by 2024, the budget re-initiates disinvestment of Air India, strengthens NBFCs, offers incentives for startups and MSMEs, suggests a merger of Bank, eases the tax compliance norms and focuses on overall infrastructural development.
- **Merger of 10 Banks:** Finance Minister announced the merger of 10 public sector banks (PSBs) into four. Once the merger gets completed, India will have 12 Public Sector Banks from 27 Public Sector Banks in 2017.
- **Exemption from Angel Tax for Start-Ups:** In order to encourage investments in Start-Ups, the Central Government approved exemption of Start-ups from the 'Angel Tax' under the Income Tax Act, 1961. The registered startups have been exempted from the Angel tax on funding or investment of up to Rs 25 crore. Before this, the limit was Rs 10 crore.
- **Disinvestment of 33 CPSEs:** The Central Government approved the disinvestment of 33 Central Public Sector Enterprises (CPSEs) in the year 2019. These 33 CPSEs include big names such as Air India, Pawan Hans, Bharat Petroleum and others.
- **Home/Auto Loans to get cheaper; RBI asks Banks to adopt Repo-linked Interest Rates:** Reserve Bank of India (RBI) had mandated all the banks to link the new Personal, Retail, Housing, Auto and MSMEs loans to the External Benchmark based Rate with effect from October 1, 2019. The move aims to ensure faster transmission of Policy rate cuts to loan borrowers.

## 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

India is a tourism hotspot, given its diverse landscape, rich cultural heritage, and the opportunities it offers to businesses with its start-up culture and availability of a young, educated workforce. During 2019, foreign tourist arrivals (FTAs) in India stood at 10.9 million, an increase of 3.2% over 2018. Of this, 2.9 million tourists arrived on e-tourist visa as compared to 2.4 million during 2018, registering a growth of 21%.

**INDIAN HOSPITALITY OUTLOOK (POST-COVID-19)** - The Indian hospitality industry is undoubtedly one of the biggest casualties of the COVID-19 outbreak as demand has declined to an all-time low. Occupancy across hotels in key cities is declined by a staggering 45 percentage points compared to the previous year. Such a steep decline in such a short period of time has never been witnessed by the sector.

FTA footfall in India, particularly that of leisure travelers, started softening in February 2020, as COVID-19 spread across the globe, resulting into banning of International Flights. Although domestic flights resumed in June 2020, the restrictions on the entry of international travelers means that FTA is not about to pick up any time soon. The situation may not improve drastically for the hospitality sector. Except for the smaller-sized hotels, which are now covered under the MSME (micro, small and medium-sized enterprises) the hospitality sector in India has not benefited from the stimulus packages rolled out by the government.

F&B, which generally provides sustainable revenues to the Indian hospitality industry, is likely to see lower revenues in a post-COVID-19 environment. Seating capacity at restaurants is expected to fall in order to provide space for social distancing, which will reduce meal volumes. High street restaurants are likely to suffer the most while restaurants in hotels that enjoy the trust of patrons and meet their safety and hygiene concerns may see a higher footfall.

### **Government initiatives:**

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

- Ministry of Tourism launches Audio Guide facility App called Audio Odigos for 12 sites of India (including iconic sites).
- Prime Minister urged people to visit 15 domestic tourist destinations India by 2022.
- Statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity', was inaugurated in October 2018. It is the highest standing statue in the world at a height of 182 metre. It is expected to boost the tourism sector in the country and put India on the world tourism map.
- Under Budget 2020-21, the Government of India allotted Rs 1,200 crore (US\$ 171.70 million) for development of tourist circuits under Swadesh Darshan for eight north-eastern states.
- Under Budget 2020-21, the Government of India allotted Rs 207.55 crore (US\$ 29.70 million) for development of tourist circuits under PRASHAD.
- In 2019, Government reduced GST on hotel rooms with tariffs of Rs 1,001 (US\$ 14.32) to Rs 7,500 (US\$ 107.31) per night to 12 per cent; those above Rs 7,501 (US\$ 107.32) to 18 per cent to increase India's competitiveness as a tourism destination.

## 2. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. In his Independence speech from Red Fort, Prime Minister Narendra Modi urged people to visit 15 domestic tourist destinations in India by 2022 to promote tourism. India ranked 34 in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum.

Under the Swadesh Darshan scheme, 77 projects have been sanctioned of worth Rs 6,035.70 crore (US\$ 863.60 million). In Union Budget 2020-21, the government has allotted Rs 1,200 crore (US\$ 171.70 million) for the development of tourist circuits under Swadesh Darshan for Northeast.

The launch of several branding and marketing initiatives by the government of India such as 'Incredible India!' and 'Athiti Devo Bhava' has provided a focused impetus to growth. The Indian government has also released a fresh category of visa - the medical visa or M-visa, to encourage medical tourism in the country.

The COVID-19 has hit the Indian hospitality sector very hard resulting in significantly low demand, negligible future bookings, and exponential prospective job losses. The coronavirus pandemic could deal a crippling blow to the Indian travel and tourism industry, specially with the government suspending all visas, with the economic impact being assessed to run into thousands of crores of rupees. According to industry chamber CII, this is the one of the worst crises ever to hit the Indian tourism industry impacting all its geographical segments - inbound, outbound and domestic, almost all tourism verticals - leisure, adventure, heritage, MICE, cruise, corporate and niche segments. Lockdown in Mumbai and banning of international flights has effected the operations of the hotel of the Company.

# ASIAN HOTELS (WEST) LIMITED

## 3. SEGMENT WISE PERFORMANCE

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

## 4. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

## 5. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE (STANDALONE BASIS).

### Total Income

The total income during the year under review was ₹ 143.12 Crores as against ₹ 159.16 Crores during previous Financial Year.

### Profit before Interest, depreciation, amortization, tax and exceptional items

Your Company has registered PBDT of ₹ 38.53 Crores as against ₹ 50.02 Crores during previous Financial Year.

### Profit before Tax

Your Company has registered PBT of ₹ 2.84 Crores as against ₹ 16.58 Crores during previous Financial Year.

### Total Comprehensive Income/(loss) after tax

Your Company has registered Comprehensive Income/(loss) after tax of ₹ 3.87 Crores as against ₹ 26.63 Crores during previous Financial Year.

### Key Ratios

Key financial ratios are given below:

Particulars	2019-2020	2018-2019
PBDT / Turnover (percent)	26.92	31.43
Profit After Tax / Turnover (percent)	2.70	16.73
PBDT / Finance Cost (no. of times)	1.43	1.91
Debt to Equity	0.68	0.68
Book Value per share (₹/share)	282.90	281.25
Earnings per share (₹/share)	3.08	23.00

During the year ended 31st March, 2020, the Company achieved an occupancy rate of 71% (in comparison to the 76% during the Financial Year 2018-19) and the Average room rate was ₹ 8,265 (in comparison to ARR at ₹ 8,574/- during the previous year).

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

As our Company is part of the hospitality industry the importance of efficient and motivated human resources helps in achieving complete customer satisfaction, which in turn has direct impact on the brand image and turnover of the Company. The Company enjoys harmonious relationship with its employees. The employee strength of the Company, as on 31st March, 2020 was 422.

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

## 7. DETAILS OF SIGNIFICANT CHANGE (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN THE KEY FINANCIAL RATIOS

Particulars	2019-20	2018-19	Explanation
Return on Equity (percent)	1.17	8.13	Drop in Revenue and net profit due to pandemic COVID-19 Impact during February and March 2020. In Previous Year there was reversal of deferred tax liability on conversion of optionally convertible preference shares (OCPS) Invested in subsidiary company "Aria Hotels and Consultancy Services Pvt. Ltd." into equity shares.
Net Profit Margin (%)	2.82	17.89	-do-
Current Ratio	0.57	0.44	Current ratio is increased on account of increase in Cash and Bank Balance.

# ASIAN HOTELS (WEST) LIMITED

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## 8. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Particulars	2019-20	2018-19	Explanation
Return on Equity (percent)	1.17	8.13	Drop in Revenue and net profit due to pandemic COVID-19 Impact during February and March 2020. In Previous Year there was reversal of deferred tax liability on conversion of optionally convertible preference shares (OCPS) Invested in subsidiary company "Aria Hotels and Consultancy Services Pvt. Ltd." into equity shares.

### Cautionary Statement

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

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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



# ASIAN HOTELS (WEST) LIMITED

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of the Company for the Financial Year ended 31st March 2020, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in the prescribed format by the Securities and Exchange Board of India ("SEBI") is as under:

### SECTION A: GENERAL INFORMATION

1	Corporate Identity Number (CIN) of the Company	L55101DL2007PLC157518
2	Name of the Company	Asian Hotels (West) Limited
3	Registered address	6th Floor, Aria Towers, J.W. Marriott, New Delhi Aerocity, Asset Area 4, Hospitality District, Near IGI Airport, New Delhi-110 037.
4	Website	<a href="http://www.asianhotelswest.com">www.asianhotelswest.com</a>
5	E-mail address	<a href="mailto:vivek.jain@asianhotelswest.com">vivek.jain@asianhotelswest.com</a>
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Hotels, Restaurant, accommodation and related services- 551
8	List three key products, services that the Company manufactures/provides (as in balance sheet)	Hospitality (Hotel)
9	Total number of locations where business activity is undertaken by the Company	The Company has its Business activities and operation in Mumbai.
10	Markets served by the Company	The Company caters to both international and domestic travelers.

### SECTION B: FINANCIAL DETAILS

1	Paid up Capital (in Rs.)	11,61,21,010 (Equity)
2	Total Turnover (in Rs.)	143,11,63,000
3	Total profit after taxes (in Rs.)	3,58,78,000
4	Total Spending in Corporate Social Responsibility (CSR) as percentage of profit after tax	2.88%
5	List of activities in which expenditure in Point 4 above has been incurred	<ul style="list-style-type: none"> <li>Satyanand Yog Darshan Peeth : Heath (Free Education of Yoga)</li> <li>Earth Saviours Foundation : Hunger (one day Meal)</li> </ul>

### SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company (ies)?	Yes
2	Do the Subsidiary Company (ies) participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company (ies).	No
3	Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]	No

### SECTION D: BR INFORMATION

#### 1. Details of Director/Directors responsible for BR:

##### (a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

CSR Committee comprising of:

No.	Particulars	Details		
1.	DIN	00015217	00016949	00043525
2.	Name	Mr. Sudhir Gupta	Mr. RK Bhargava	Mr. SS Bhandari
3.	Designation	Executive Whole Time Director	Independent Director	Independent Director

##### (b) Details of the BR head:

No.	Particulars	Details
1.	DIN (if Applicable)	NA
2.	Name	Mr. Amit Gupta
3.	Designation	Sr. Vice President – Finance
4.	Telephone No	022-66961004
5.	Email ID	<a href="mailto:amit.gupta@asianhotelswest.com">amit.gupta@asianhotelswest.com</a>

# ASIAN HOTELS (WEST) LIMITED

## 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

Principle 1: (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2: (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3: (P3)	Businesses should promote the well-being of all employees
Principle 4: (P4)	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5: (P5)	Businesses should respect and promote human rights
Principle 6: (P6)	Businesses should respect, protect and make efforts to restore the environment
Principle 7: (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8: (P8)	Businesses should support inclusive growth and equitable development
Principle 9: (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner

### a. Details of compliance (Reply in Y/N)

Principle-wise Policies		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for:	Yes								
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Yes								
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Business Responsibility Policy is in accordance with principle laid down in the NVG on Economic, Social and Environmental responsibilities of Business published by the Ministry of Corporate Affairs.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	<p>Yes</p> <p>Policies mandated under the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are approved by the Board and circulated amongst relevant stakeholders. Other policies are approved by the Managing Director/functional heads of the Company as deemed appropriate from time to time.</p> <p>Business Responsibility Policy is approved by the Board of Directors</p>								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes - CSR Committee								
6.	Indicate the link for the policy to be viewed online?	Policies are uploaded on the Company's website <a href="http://www.asianhotelswest.com/policies">www.asianhotelswest.com/policies</a> .								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes - Policies are communicated to all relevant stakeholders through Company website.								
8.	Does the company have in-house structure to implement the policy/ policies?	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of the Business Responsibility Policy by the Company is being evaluated internally.								

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NA								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The business responsibility performance will be assessed periodically by the Management/Board of Directors and its Committees.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This Business Responsibility Report is being published by the Company for the Financial Year 2019-20. It will be made available on the website of the Company. The Business Responsibility Report will be published on an annual basis.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

#### 1. Does the policy relating to ethics, bribery and corruption cover only the Company?

The Company has a Business Responsibility Policy, and internal HR Policy and Company's Whistle Blower Policy which relates to ethics, bribery and corruption. The framework has been set up for the Company and covers dealings with suppliers, customers, business partners and other stakeholders.

#### 2. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The framework has been set up for the Company and its associate's covers dealings with suppliers, customers and other stakeholders.

#### 3. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so –

There were NIL complaints received during the year under review, relating to the hotel unit of the Company.

### Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

#### 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

As a hospitality Company, the rooms and F&B experience provided to guests is our product and service.

Measures implemented by the Company include the following:

- Cloth bags are used instead of plastic bags for collecting and delivering guest laundry, dry cleaning and pressing.
- Reduce waste with key focus on single use disposables, use of bio-degradable garbage bags.
- Detergents used require less water to rinse out of the fabric and are therefore water efficient.
- Guests are encouraged to adopt environment conscious practices like changing usage of bed linen and towels during their stay.
- Garden irrigation is carried out through recycled water.
- All laundry chemicals are bio-degradable.
- Responsible sourcing of food considering animal welfare, plant forward efforts.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

The consumption of energy, water and other resources in our hotel is measured per guest night, in terms of usage per consumer. The Company focuses on optimizing resource consumption to avoid wastages and minimize our environmental impact.

Company recycled a total of 72,527 KL of water through onsite waste water treatment plants.

**(i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

During the year under review, 83 % of the total power consumed by the Company, was from renewable resources.

The steps implemented to improve resource efficiency and strengthen sustainability in the development and operation of our hotel includes usage of advance laundry chemical, chiller plant optimization which increases energy efficiency and replacing of Air handling units (AHU's) and Treated Fresh air units (TFA's) which are energy efficient.

The Company has implemented advanced BMS (building management system) and always maintain low approach temperature for condenser to increase overall efficiency of the chiller plant. Also, Electrolytic Control motors (EC/DC Motors) are being installed to replace Variable Frequency Drives (VFD) for the Air Handling Units (AHU) & Treated fresh air unit (TFAs). The Company's property is designed to treat 100% wastewater through STP, where Sewage Treatment Plant is treated through a combination of Sand, carbon and resin -Filtration system, resulting in water that is odor free and reusable for irrigation.

Company has decided to phase out single use plastic items and replacing them with biodegradable options. Plastic wrappers for dry room amenities are being replaced with paper wrapping.

**(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Yes, as result of the energy conservation initiatives undertaken by the Company, there was a reduction in electricity consumption during the Financial Year 2019-20. Also, water resources are being conserved through diligent measures which are implemented and continuously improved.

Recycling of water through Sewage Treatment Plant and use of Filtration systems, resulting in reduction of dependency and consumption of fresh water.

The following measure undertaken by the Company to improve efficiency of natural resources and strengthen sustainability:

- Heat pump units are installed for hot water generation.
- CFL lamps and cold cathodes are replaced with energy efficient LED lamps.
- Heat pipe installed for Treated fresh air unit (TFA).
- EC Motors for all new air handling units to lower power consumption of fan units.
- VFD controls with pressure transducers for secondary chilled water system.
- Carbon dioxide sensors for Fresh Air Monitoring in car parking areas.
- Guest room installed with energy efficient dual mode thermostats for better energy management for unoccupied rooms.
- Chiller plant fitted with variable primary & condenser system and energy efficient cooling tower system.
- All faucets are fitted with aerators (flow regulators) to reduce water consumption.
- Installation of energy efficient steam traps on boiler water lines.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has made strategies and engages with the hotel operator to ensure sustainable consumption of energy, water and other resources at its Hotel and is continuously exploring initiatives to increase this. Some of the initiatives undertaken include recycling of water through use of sewage treatment plants, rainwater harvesting, installation of water saving taps/fixtures, pressure reducing valves at Hotel. The Company has been focusing on energy conservation and increasing the share of renewable energy in its total energy consumption, water conservation and recycling & reusing waste generated.

Total units consumed through tie-ups with suppliers of renewable sources of energy and owned 1MW solar plant is 83% of the total consumption.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, the Hotel provides equal opportunity to all suppliers irrespective of their size and status while considering proposals and awarding tenders.

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The Company endeavors wherever possible to employ local labour and also provides transport and other infrastructural facilities. Various local festivals are celebrated from time to time.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

During the year under review, 95% of the total waste water generated was recycled and used for irrigation and other uses.

All used cooking oil is given to vendor which in-turn convert the same into biodiesel additives.

All e-waste generated in the Company's property is given to certified recyclers who provides E-certificates.

## Principle 3 : Businesses should promote the well-being of all employees

- Please indicate the Total number of employees : 422 (Permanent Employees)
- Please indicate the Total number of employees hired on temporary/contractual/casual basis : **170**
- Please indicate the Number of permanent women employees : **65**
- Please indicate the Number of permanent employees with disabilities: 1.
- Do you have an employee association that is recognized by management? Yes
- What percentage of your permanent employees is members of this recognized employee association? **55.92% (236 out of 422)**
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year. **2 complaints relating to Sexual Harassment were received during the year and they have been resolved suitably.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	0	0
2	Sexual harassment	2	Nil
3	Discriminatory employment	0	0

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- |  |        |
|--|--------|
| (a) Permanent Employees                    | - 99%  |
| (b) Permanent Women Employees              | - 100% |
| (c) Casual/Temporary/Contractual Employees | - 100% |
| (d) Employees with Disabilities            | - 100% |

## Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the Company mapped its internal and external stakeholders? Yes / No**

Yes, the Company has mapped its internal and external stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes. The Company acknowledges the important role played by the society in its growth and development and strives to discharge its responsibility towards the society at large. The Company has identified areas/avenues for inclusion of disadvantaged, vulnerable & marginalized stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

The Company is engaging with local Non-Governmental Organizations (NGOs) to source products / supplies for the Hotel and empowering women and children. During the year, the Company / Hotel have supported recycling partners with an ongoing process of giving away used linen, towels and soaps. Further, the Hotel property is designed in a manner that they are conducive to use by differently abled persons. There are dedicated washrooms for differently abled persons in all public areas. There are access ramps at all level changes on the outside and within the hotel premises. Also hotel has one room designed to suit physically challenged persons. Employment opportunities post successful development training under Youth Career Initiative program for the disadvantaged has created multiple success stories in the Company.

## Principle 5 : Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the company or extend to the Group / Joint Ventures /Suppliers / Contractors / NGOs / others?** The Company firmly believes in upholding and promoting human rights. It adheres to all statutes which embodies the principles of human rights such as prevention of child labour and women empowerment.
2. **How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?** Nil

## Principle 6 : Businesses should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

The Company's policy extends to its business unit, employees, consultants, contractors and service providers to the business of the Company. The Company strives to use energy in the most efficient, cost-effective and environmentally responsible manner. The Company has been having environmental management plan (EMP) for its projects, which extend into the life cycle of the projects. The Company ensures adherence to the same by the suppliers and contractors providing services therein. The Code of Conduct for the Company's Senior Management lays out that the Company acknowledges the impact of its business activities on the environment and are committed to improving environmental track record through precautionary measures and the use of environmental friendly technology.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Various initiatives pertaining to Environment, Health and Safety are being evolved and implemented at the hotel. The Company recognises the importance of sustainability and has adopted responsible business practices and measures across its property to ensure waste minimisation and solid waste recycling.

Rainwater is harvested for internal usage. Water is conserved through various techniques adopted during carrying out Hotel operations. The Company property is designed to treat its wastewater through Sewage Treatment Plant and further treated through Filtration system, resulting in water that is odor free and reused in irrigation. Parameters have been set and the quality of the treated water is being monitored.

The Company has actively negotiated and entered into a Power Purchase Agreement under Open Access Scheme to buy renewable power & also generating power through owned 1 MW Solar Plant at Satara, Maharashtra for captive use.

3. **Does the company identify and assess potential environmental risks? Y/N**

Yes, the potential impact on environment is assessed while embarking on any of its projects. The Company is compliant with local / national laws concerning waste-water treatment and recycling.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

No.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes. The Company has actively negotiated and entered into a Power Purchase Agreement under Open Access Scheme to buy renewable power & owned 1 MW Solar Plant at Satara, Maharashtra for captive use.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the Financial Year being reported?**

Yes

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

None are pending.

## Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:**

Yes, the Company / Hotel is part of a number of associations. Key associations are noted below:

- o Federation of Hotel and Restaurant Association of India
- o Hotel and Restaurant Association (Western India)
- o Travel Agent Association of India
- o Services Export Promotion Council
- o Federation of Indian Export Organisation

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No. If yes specify the broad areas**

Yes, the Company and its management team are actively involved with these associations for promotion of the interest of the hospitality sector. The Company's team communicates ideas and suggestions towards improvement of the hospitality. Various measures for reform are also recommended through them.

**Principle 8 : Businesses should support inclusive growth and equitable development**

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details there of?**

As articulated earlier

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

No

3. **Have you done any impact assessment of your initiative?**

No

4. **What is your Company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.**

During the year under review, Company has not made any direct contribution to community development projects.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

No

**Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. **What percentage of customer complaints/consumer cases are pending as on the end of Financial Year.**

The Company receives guest complaints that are dealt with from time to time and handled to closure but none of them have converted to a consumer complaint in the Financial Year 2019-20. As such there are no consumer cases filed for the Financial Year ended March 31, 2020.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

Not Applicable

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year. If so, provide details thereof, in about 50 words or so.**

No.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes –The Company's services providers have systems in place to access guest satisfaction. Surveys are conducted periodically through formal and informal means to access the guest satisfaction level and experiences.

### CORPORATE GOVERNANCE REPORT

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

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

#### 2. Board of Directors

##### a. Composition of the Board

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

The Board has been enriched with the skills and experience of the Independent Directors. Other than receiving sitting fees, none of the Independent Director has any pecuniary relationship with the Company. All Independent Directors comply with the requirements of the Listing Obligations and section 149(6) of the Companies Act, 2013 for being "Independent Director". The composition of the Board of Directors as on 31st March, 2020 is as under:

S. No	Category of Director	Name of the Director	Date of Appointment
1	Promoter and Executive	Mr. Sushil Kumar Gupta Mr. Sudhir Gupta Mr. Sandeep Gupta	26.04.2007 26.04.2007 26.04.2007
2	Independent and Non- Executive	Mr. Raj Kumar Bhargava Dr. Lalit Bhasin Mr. Surendra Singh Bhandari Mr. Surinder Singh Kohli Mrs. Meeta Makhan	23.12.2008 23.12.2008 23.12.2008 09.08.2014 27.03.2015
3	Non-Executive Non Independent Director	Mrs. Vinita Gupta	23.12.2019

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

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

S. No.	Name of the Director	Category	No. of Board Meetings Attended	No. of shares held	Last AGM attended	Name of other listed entities in which director holds directorship and category of directorship	Directorships in other Indian Public Limited Companies (excluding Asian Hotels (West) Ltd.)	No. of Board Committees in which Chairman / Member (excluding Asian Hotels (West) Limited)*	
								Member	Chairperson
1.	Mr. Sushil Kumar Gupta	Chairman and Managing Director	5 out of 5	878816	Yes	Nil	2	Nil	Nil
2.	Mr. Raj Kumar Bhargava	Independent Non-Executive	5 out of 5	Nil	Yes	1. Kajaria Ceramics Ltd., Independent Director 2. HB Portfolio Ltd., Independent Director	2	2	2
3.	Dr. Lalit Bhasin	Independent Non-Executive	4 out of 5	Nil	No	1. Godfrey Phillips India Ltd., Independent Director 2. Asian Hotels (North) Ltd., Independent Director	9	2	4



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S. No.	Name of the Director	Category	No. of Board Meetings Attended	No. of shares held	Last AGM attended	Name of other listed entities in which director holds directorship and category of directorship	Directorships in other Indian Public Limited Companies (excluding Asian Hotels (West) Ltd.)	No. of Board Committees in which Chairman / Member (excluding Asian Hotels (West) Limited)*	
								Member	Chairperson
4.	Mr. Surendra Singh Bhandari	Independent Non-Executive	5 out of 5	Nil	No	Nil	Nil	Nil	Nil
5.	Mr. Surinder Singh Kohli	Independent Non-Executive	4 out of 5	Nil	No	1. Seamec Limited, Independent Director 2. Reliance Infrastructure Ltd., Independent Director	8	3	3
6.	Mrs. Meeta Makhan	Independent Non-Executive	4 out of 5	Nil	No	1. Lakshmi Vilas Bank Limited, Independent Director	1	Nil	Nil
7.	Mr. Sudhir Gupta	Executive (Whole - time) Director	5 out of 5	214290	Yes	Nil	1	Nil	Nil
8.	Mr. Sandeep Gupta	Executive (Whole - time) Director	5 out of 5	644934	Yes	Nil	2	Nil	Nil
9.	Mrs. Vinita Gupta (appointed w.e.f 23 <sup>rd</sup> December, 2019)	Non-Executive Non-Independent Director	1 out of 5	458926	No	Nil	2	Nil	Nil

\* Considering only Audit Committee and Stakeholders' Relationship Committee.

During the period under review none of the Director of the Company was a member of more than ten Board-level committees, nor a Chairman of more than five such committees, across all companies in which he was a Director.

Mr. Sandeep Gupta is son of Mrs. Vinita Gupta and Mr. Sushil Kumar Gupta. Mr. Sudhir Gupta is brother of Mr. Sushil Kumar Gupta. No other director is related to any other director of the Company.

## c. Meetings during the year

During the Financial Year 2019-20, the Board of Directors met 5 (Five) times on the following dates:

<b>April to June 2019</b>	23.05.19	<b>July To September 2019</b>	12.08.19	<b>October to December 2019</b>	12.11.19 & 23.12.19	<b>January to March 2020</b>	14.02.2020
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The maximum gap between any two meetings was less than 120 days. All material information was circulated to the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board.

## d. Independent Directors Meeting

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-independent directors) was held on 23rd December, 2019, to discuss:

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

All the Independent Directors were present at the meeting.

## e. Familiarization Programme

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

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

**f. The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of Company's business are:**

1. Knowledge of the Hotels Operations Activities
2. Legal Knowledge/Experience
3. Banking Knowledge /Experience
4. Financial Knowledge / Experience
5. Administrative and Corporate Sector Experience

The Board possess these skills/expertise/competencies as required in the context of Company's business and name of directors who have such skills/ expertise / competence;

SI No	Name of the Director	Skills / expertise / competencies
1.	Mr. Sushil Kumar Gupta	Knowledge of the Hotels Operations Activities / Financial Knowledge / Experience
2.	Mr. Sandeep Gupta	Knowledge of the Hotels Operations Activities
3.	Mr. Sudhir Gupta	Knowledge of the Hotels Operations Activities
4.	Mr. Raj Kumar Bhargava	Administrative and Corporate Sector Experience
5.	Dr. Lalit Bhasin	Legal Knowledge/Experience
6.	Mr. Surendra Singh. Bhandari	Financial and Banking Knowledge / Experience
7.	Mr. Surinder Singh Kohli	Banking Knowledge /Experience
8.	Mrs. Meeta Makhan	Banking Knowledge /Experience.
9.	Mrs. Vinita Gupta	Knowledge of the Hotels Operations Activities

**g. Independent Directors**

All Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website at [www.asianhotelswest.com](http://www.asianhotelswest.com). The Board of Directors confirm that the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of management.

**3. Audit Committee:**

**a. Brief description of Terms of reference.**

- (1) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors.
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;

- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision."
- (22) The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (23) To review the financial statements, in particular, the investments made by the unlisted subsidiary.
- (24) To mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - f. Statement of deviations:
    - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of listing obligations.

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

Name of the Member	Category	No. of Meetings attended	Dates on which Meetings held
Mr. Raj Kumar Bhargava (Chairperson of the committee)	Independent - Non- Executive	4 out of 4	21st May, 2019; 12th August, 2019;
Mr. Surendra Singh Bhandari	Independent - Non- Executive	4 out of 4	12th November, 2019;
Mr. Surinder Singh Kohli	Independent - Non- Executive	4 out of 4	14th February, 2020

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

**4. Nomination and Remuneration Committee**

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

## a. Brief description of terms of reference

- (1) Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- (2) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- (3) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- (4) Policy for appointment and removal of Director, KMP and Senior Management.
- (5) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- (6) To recommend to the Board on Remuneration in whatever form payable to the Directors, Key Managerial Personnel and Senior Management.
- (7) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- (8) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- (9) To devise a policy on Board diversity.
- (10) To develop a succession plan for the Board and to regularly review the plan;

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

## b. Composition, name of members and chairperson, Meetings and Attendance

Name of the Member	Category	No. of Meetings attended	Date on which Meetings held
Dr. Lalit Bhasin (Chairperson of the committee)	Independent - Non-Executive	2 out of 2	21 <sup>st</sup> May, 2019; 23 <sup>rd</sup> December, 2019
Mr. Raj Kumar Bhargava	Independent - Non-Executive	2 out of 2	
Mr. Surendra Singh Bhandari	Independent - Non-Executive	2 out of 2	

## c. Performance evaluation criteria for Independent Directors.

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

The Directors expressed their satisfaction to the above.

## 5. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee formed under Section 135 of Companies Act, 2013 comprises of Mr. Sudhir Gupta, Executive (Whole-time) Director of the Company, as the Chairperson of the committee and Mr. Raj Kumar Bhargava and Mr. Surendra Singh Bhandari, Independent Directors of the Company, as other members. During the year, 1 (one) meeting CSR Committee held on 14.02.2020. All the members attended the said meeting.

### a. Brief description of Terms of Reference

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

### b. Committee Meetings Procedure

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

## 6. Risk Management Committee

Your Company has constituted Risk Management Committee as required under the Listing Regulations to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis.

### a. Composition, name of members, Meetings and Attendance

Name of the Member	Category	No. of Meetings attended	Date on which Meetings held
Mr. Sushil Kumar Gupta	Executive Director	0 out of 2	12 <sup>th</sup> Sep, 2019; 8 <sup>th</sup> Nov, 2019
Mr. Surinder Singh Kohli	Independent - Non-Executive	2 out of 2	
Mr. Rakesh Kumar Aggarwal	CFO (Senior Executive)	2 out of 2	

- Mr. Sandeep Gupta and Mr. Sudhir Gupta, Executive (Whole time) Directors of the Company were made members of the Risk Management Committee with effect from 12<sup>th</sup> November, 2019.

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

## 7. Stake holders Relationship Committee:

### a. Brief description of Terms of reference

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report(s), non-receipt of declared dividend(s), issue of new/duplicate certificate(s), general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### b. Composition, name of members and chairperson, Meetings and Attendance

Name of the Member	Category	No. of Meetings attended	Date on which Meeting held
Ms. Meeta Makhan (Chairperson of the Committee)	Independent - Non- Executive	1 out of 1	5th March, 2020
Mr. Raj Kumar Bhargava	Independent - Non- Executive	1 out of 1	
Mr. Sudhir Gupta	Executive Whole- Time Director	1 out of 1	

### c. Name and Designation of Compliance Officer

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

### d. Details of Complaints received, resolved and pending during the Year 2019-2020

The Company received 61 complaints during the period, which have been resolved to the satisfaction of shareholders. None of the investor complaints is lying unresolved at the end of the Financial Year.

## 8. Remuneration of Directors

All fees/ compensation paid to Executive Directors are fixed by the Board and approved by the shareholders in the 10th and 12th Annual General Meeting and the compensation is within the limits prescribed under the Companies Act, 2013.

- All pecuniary relationship or transactions of the Non-Executive Directors: None of the Non-Executive Directors has any pecuniary relationship or transaction with the Company.
- Criteria of making payments to Non-Executive Directors is given in the Nomination and Remuneration policy of the Company and link of the same is [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies)

# ASIAN HOTELS (WEST) LIMITED

c. Details of remuneration paid to the Directors for the Financial Year 2019-20 are given below:

(Amount in ₹ Lacs)

Name of the Directors	Salary including Perquisites & PF	Commission for the Financial year 2018-19	Sitting Fees	Tenure upto	Notice period	Total
Mr. Sushil Kumar Gupta	249.45	15.10	NIL	31.10.2024	3 months	264.55
Mr. Raj Kumar Bhargava	NIL	3.02	3.00	31.03.2024	NA	6.02
Dr. Lalit Bhasin	NIL	3.02	1.40	31.03.2022	NA	4.42
Mr. Surendra Singh Bhandari	NIL	3.02	2.60	31.03.2022	NA	5.62
Mr. Surinder Singh Kohli	NIL	3.02	2.20	31.03.2024	NA	5.22
Mrs. Meeta Makhan	NIL	3.02	1.20	31.03.2025	NA	4.22
Mr. Sudhir Gupta	153.68	15.10	NIL	09.05.2025	3 months	168.78
Mr. Sandeep Gupta	182.01	15.10	NIL	09.05.2025	3 months	197.11
Mrs. Vinita Gupta	Nil	Nil	0.20	NA	NA	0.20
<b>TOTAL</b>	<b>585.14</b>	<b>60.40</b>	<b>10.60</b>			<b>656.14</b>

## 9. General Body Meetings: -

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

Financial Year	Type of General Meeting	Venue	Date	Time	Whether any Special Resolution Passed
2016-17	AGM	Mapple Emerald, NH8, Rajokri, New Delhi –110038	11.07.2017	3.00 P.M.	Yes
2017-18	AGM	Mapple Emerald, NH8, Rajokri, New Delhi –110038	03.07.2018	3.00 P.M.	Yes
2018-19	AGM	Mapple Emerald, NH8, Rajokri, New Delhi –110038	17.08.2019	3.00 P.M.	Yes
2019-20	EGM	Mapple Emerald, NH8, Rajokri, New Delhi –110038	11.03.2020	10.00 A.M.	Yes

## b. Passing of Special Resolution by Postal Ballot

No Special Resolution was passed by postal ballot during the year 2019-20.

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

## 10. Means of Communication

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

## 11. General Shareholder Information

### a. Annual General Meeting:

Day, Date & Time : Wednesday, 30th September, 2020 at 3:00 PM

Venue : Audio / Visual Mode

### b. Financial Year

1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020

# ASIAN HOTELS (WEST) LIMITED

## c. Dividend Payment Date

Dividend on Equity shares was not recommended by the Board of Directors of the Company.

## d. Listing on Stock Exchanges & Stock Code

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

The Company has paid the listing fees for the year 2019-20 to both the stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

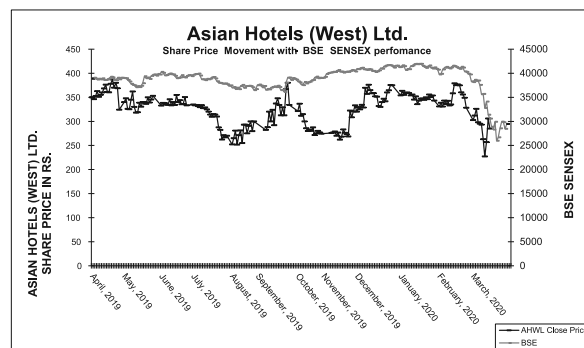
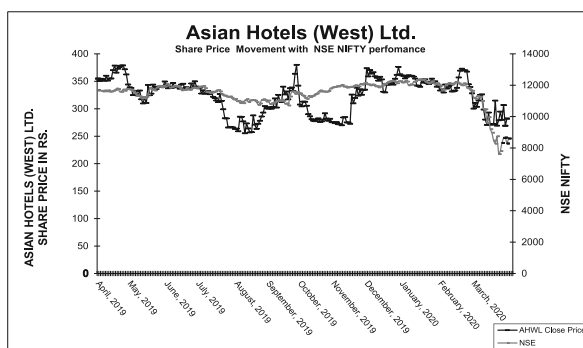
## e. Stock Code

Exchange	Code
<b>National Stock Exchange of India Limited</b> The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai – 400 051	AHLWEST
<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400 001	533221

## f. Stock Market Price Data - high, low during each month in financial year 2019-20

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE for the period from 1st April, 2019 to 31st March, 2020 are given below:

Month	BSE			NSE		
	Month's High Price (₹)	Month's Low Price (₹)	Volume (in Nos.)	Month's High Price (₹)	Month's Low Price (₹)	Volume (in Nos.)
Apr-19	400	282.3	45874	394.90	338.90	13,462
May-19	370	307	20348	371.00	306.00	44,375
Jun-19	380	318	6124	355.00	330.00	37,108
Jul-19	352	250	2698	349.05	245.00	33,448
Aug-19	300.9	240	1211	305.00	240.00	18,707
Sep-19	380	269.05	3327	395.00	275.05	43,746
Oct-19	343.8	260	49589	351.90	260.25	68,771
Nov-19	345	225.6	9430	349.00	258.05	67,362
Dec-19	394.35	309	10623	401.55	311.45	1,13,140
Jan-20	381.95	333.6	11976	399.95	330.50	41,912
Feb-20	395	322	5246	384.40	323.25	50,415
Mar-20	328	190	26414	339.40	224.25	44,554



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

# ASIAN HOTELS (WEST) LIMITED

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

	03.04.2020	01.04.2019	Change (%)
Share prices of AHWL (₹)(BSE)	260.50	350	-25.57
V/s BSE Sensex	27590.95	38871.87	-29.02
Share prices of AHWL (₹) (NSE)	275.15	354.80	-22.45
V/s NSE Nifty	8083.80	11669.15	-30.72

**h. Share Transfer Agent**

Kfin Technologies Pvt. Ltd.	Kfin Technologies Pvt. Ltd
“Karvy House” Karvy Selenium Tower B , Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032. e-mail : <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>	305, New Delhi House 27, Barakhamba Road, New Delhi-110001 Telephone No. 011-43681700 e-mail : <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>

**i. Share Transfer System**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

**j. Distribution of shareholding**

Number of equity shares held	As on 31 <sup>st</sup> March, 2020				As on 31 <sup>st</sup> March, 2019			
	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding
Upto 500	9231	96.66	524614	4.50	9851	96.31	570473	4.90
501-1000	173	1.81	123507	1.06	196	1.92	141400	1.21
1001-2000	57	0.60	80225	0.69	69	0.67	95723	0.82
2001-3000	18	0.19	43447	0.37	30	0.29	73440	0.63
3001-4000	8	0.08	27446	0.24	14	0.14	46710	0.40
4001-5000	7	0.07	33122	0.28	9	0.09	41660	0.36
5001-10000	13	0.14	93774	0.80	16	0.16	110341	0.95
10000 – above	43	0.45	10725075	92.05	43	0.42	10571463	90.73
<b>TOTAL</b>	<b>9550</b>	<b>100.00</b>	<b>11651210</b>	<b>100.00</b>	<b>10228</b>	<b>100.00</b>	<b>11651210</b>	<b>100.00</b>

**Category wise shareholding**

CATEGORY	As on 31st March, 2020		As on 31st March, 2019	
	No. of shares held	% age of Shareholding	No. of shares held	% age of Shareholding
<b>A. Promoters Shareholding</b>				
– Indian	2701351	23.19	2592733	22.25
– Foreign	5384555	46.21	5384555	46.21
Total Promoters shareholding	8085906	69.40	7977288	68.47
<b>B. Public Shareholding</b>				
– Mutual Funds/Financial Institutions/ Banks and Insurance Companies	66910	0.57	87264	0.75
– FII's	2719	0.02	2719	0.02
– NRI's	1238061	10.63	1248217	10.71
– Bodies Corporate (Domestic)/IEPF/NBFC	953626	8.18	956579	8.21
– Individuals (Indian Public)	1284497	11.02	1359628	11.67
– Trusts	0	0	Nil	Nil
– Clearing Members	651	0.01	675	0.01
– Foreign Bodies	18840	0.16	18840	0.16
<b>Total Public shareholding</b>	<b>3565304</b>	<b>30.60</b>	<b>3673922</b>	<b>31.53</b>
<b>GRAND TOTAL</b>	<b>11651210</b>	<b>100</b>	<b>11651210</b>	<b>100.00</b>



# ASIAN HOTELS (WEST) LIMITED

## k. Dematerialization and Liquidity

The Equity ISIN allotted by NSDL and CDSL is INE915K01010. Total 1,14,61,289 equity shares (equivalent to 98.37 %) of the total equity shares of the company are held in dematerialized form as on 31st March, 2020. The shares are regularly traded at BSE and NSE.

## l. Outstanding Convertible instruments

As of 31st March, 2020, there are no outstanding convertible instruments.

## m. Plant Locations

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

### HYATT REGENCY, MUMBAI

Sahar Airport Road,  
Andheri East, Mumbai - 400099.

## n. Address for Correspondence

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

### ASIAN HOTELS (WEST) LIMITED

6th Floor, Aria Tower, J.W Marriott, Aerocity, Asset Area 4  
Hospitality District, Near IGI Airport, New Delhi -110037  
Telephone No.011-41597315  
Email Id. [Vivek.jain@asianhotelswest.com](mailto:Vivek.jain@asianhotelswest.com)

## o. List of all credit ratings obtained:

Facilities Rated	FY 2019-20 (India Ratings)	FY 2018-19 (India Ratings)
Long term Bank Facilities	IND BBB; Outlook - Negative	IND BBB; Outlook – Stable
Short term Bank Facilities	IND A3+	IND A3+

Credit rating of the Company was downgraded on 9<sup>th</sup> July, 2020 to IND BBB-/ RWN (Long term Bank Facilities) and IND A3/ RWN (Short term Bank Facilities)

## p. Unpaid/ Unclaimed Dividend

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

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

Financial Year	Cases	Unclaimed Dividend as on 31.03.2020 (₹)	Due Date for transfer to IEPF *
FINAL 2012-2013	3158	435410.00	06.11.2020
FINAL 2013-2014	3909	332796.46	26.11.2021
FINAL 2014-2015	3694	317779.00	17.10.2022
FINAL 2015-2016	3732	254344.00	28.09.2023
FINAL 2016-2017	3684	262604.00	17.09.2024
FINAL 2017-2018	3650	349342.00	09.09.2025
FINAL 2018-2019	2503	182090.00	22.08.2026

\* Indicative dates, actual dates may vary.

During the Financial Year 2019-20 the Company has transferred 15406 shares (in respect of which dividend had not been claimed for seven consecutive years) belonging to 135 shareholders of the Company to Demat account of Investor Education Protection Fund authority, in accordance with section 124(6) of the Companies Act, the Company has also transferred ₹ 7,42,788 lying in the unpaid dividend account for the year 2011-12 belonging to 2791 shareholders to Investor Education Protection Fund in accordance with section 124(5) of the Companies Act.

## 12. OTHER DISCLOSURES

### a. **Materially Significant Related Party Transactions**

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

### b. **Related Party Disclosures**

The details of related party disclosures with respect to loans /advances / investments at the year end and maximum outstanding amount thereof during the year, as required under Part A of Schedule V of the Listing Regulations have been mentioned in the Notes 42 of the Standalone Financial Statements for the financial year ended on March 31, 2020.

### c. **Compliances**

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

### d. **Whistle Blower Mechanism**

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

### e. **Details of Adoption of Non-Mandatory (Discretionary) Requirements.**

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

- (i) The Chairman of the Company is an Executive Chairman and hence the provisions for Non- Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with.
- (ii) The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.
- (iii) There are no modified opinions in audit report.
- (iv) In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

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

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

### h. **Details of utilization of Funds raised through Preferential Allotment as specified under Regulation 32(7A). – Not Applicable**

### i. **A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority - The certificate is annexed herewith as a part of the report.**

### j. **Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: Not Applicable.**

### k. **Total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part - The same is given in note 34 of Consolidated Financial Statement.**

### l. **Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- Number of complaints filed during the financial year: 2
- Number of complaints disposed of during the financial year: 2
- Number of complaints pending as on end of the financial year: 0

### m. **Compliances with Governance Framework**

The Company has complied with the requirements of the Schedule V of the Listing Regulations;

The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**n. Compliance with Code of Conduct for the Board of Directors and Senior Management Personnel**

The Company has obtained affirmation from the Board of Directors and senior managerial personnel affirming compliance with the Company's Code of Conduct for Financial Year 2019-20.

The declaration by the Managing Director, under the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, affirming compliance with the Code of Conduct by all the Board members and senior managerial personnel for the year ended March 31, 2020 is annexed herewith and forming part of this report.

**o. Compliance Certificate on Corporate Governance**

In terms of Regulation 34 of the Listing Regulations, the Certificate on Corporate Governance issued by practicing company secretary annexed as Annexure to this report.

**Disclosure with respect to demat suspense account/unclaimed suspense account.**

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

S. No	Particulars	No. of shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at beginning of the year.	244 shareholders and the outstanding shares were 31768
2.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	Nil
3.	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	224 shareholders and the outstanding shares were 30490
5.	Number of shareholders whose shares were transferred to IEPF account during the year.	21 shareholders holding 1278 Shares

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

During the year Company has transferred 15406 Equity shares belonging to 135 shareholders to Investor Education Protection Fund, in accordance with section 124(6) of the Companies Act.

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

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

# ASIAN HOTELS (WEST) LIMITED

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## DECLARATION REGARDING CODE OF CONDUCT

To

**The Members of  
Asian Hotels (West) Limited**

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

**For Asian Hotels (West) Limited  
Sushil Kumar Gupta  
Chairman & Managing Director  
DIN (00006165)**

Place : New Delhi  
Date : 25th August, 2020

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

To

**The Members of  
Asian Hotels (West) Limited**

We have examined the compliance of regulations of Corporate Governance by Asian Hotels (West) Limited for the year ended 31st March, 2020, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

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

**Dhawal Kant Singh  
Proprietor  
CP No.: 7347  
M No. F8687  
UDIN:S008687B000655377**

Place: New Delhi  
Date : 25th August, 2020

# ASIAN HOTELS (WEST) LIMITED

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

**The Members of**

**Asian Hotels (West) Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Asian Hotels (West) Limited** having **CIN: L55101DL2007PLC157518** and having registered office at 6th Floor Aria Towers JW Marriott New Delhi Aerocity Asset Area 4 Hospitality District Near IGI Airport New Delhi - 110037 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any court or any other Statutory Authority:

Sr. No.	Name of Director	DIN
1.	Dr. Lalit Bhasin	00001607
2.	Mr. Sushil Kumar Gupta	00006165
3.	Mr. Sudhir Gupta	00015217
4.	Mr. Raj Bhargava Kumar	00016949
5.	Mr. Surendra Singh Bhandari	00043525
6.	Mr. Sandeep Gupta	00057942
7.	Mr. Surinder Singh Kohli	00169907
8.	Mrs. Meeta Makhan	07135150
9.	Mrs. Vinita Gupta	00501674

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For D.S. Associates**  
**Company Secretaries**  
**Dhawal Kant Singh**

**Proprietor**

**CP No.:7347**

**M No. F8687**

**UDIN:S008687B000655278**

Place: New Delhi

Date : 25<sup>th</sup> August , 2020

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 6 TO THE DIRECTORS' REPORT

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020**  
**Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies**  
**(Management and Administration) Rules, 2014]**

### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L55101DL2007PLC157518
ii	Registration Date	:	8th January, 2007
iii	Name of the Company	:	Asian Hotels (West) Ltd.
iv	Category	:	Company Limited by Shares
v.	Sub- Category of the Company	:	Indian Non-Government Company (Hospitality Industry)
vi.	Address of the registered office and contract details	:	6th Floor, Aria Towers, J.W. Marriott, New Delhi Aerocity, Asset Area 4, Hospitality District, Near IGI Airport, New Delhi-110037 Ph No : 011-41597315 Email: <a href="mailto:vivekjain@asianhotelswest.com">vivekjain@asianhotelswest.com</a>
vii.	Whether listed company	:	YES
viii.	Name, Address and Contract details of Registrar and Transfer Agent:	:	M/s Kfin Technologies Pvt. Ltd. Karvy Selenium Tower-B", Plot No 31 & 32, Gaehibowli Financial District, Nanankramguda, Serilinggampally, Hyderabad-500032 Tel No : 040-23420815-24 Fax No : 040-23420814 E Mail : <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

S. No	Name and Address of the company	CIN	Subsidiary	% of shares held (Equity)	Applicable Section
1	Aria Hotels And Consultancy Services Pvt. Ltd.	U74140DL2007PTC163275	Subsidiary	99.98	2(87) (ii)

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

#### i) Category-wise Share Holding

Category code	Category of Shareholder	No. of Shares held at the beginning of the year 31-03-2019				No. of shares held at the end of the year 31-03-2020				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	<b>PROMOTER AND PROMOTER GROUP</b>									
(1)	INDIAN									
(a)	Individual /HUF	2488863	0.00	2488863	21.36	2512481	0	2512481	21.56	0.20
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	103870	0	103870	0.89	103870	0	103870	0.89	0.00
(d)	Financial Institutions /Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	85000	0	85000	0.73	0.73
	<b>Sub-Total A(1) :</b>	2592733	0	2592733	22.25	2701351	0	2701351	23.19	0.93

# ASIAN HOTELS (WEST) LIMITED

Category code	Category of Shareholder	No. of Shares held at the beginning of the year 31-03-2019				No. of shares held at the end of the year 31-03-2020				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	5384555	0	5384555	46.21	5384555	0	5384555	46.21	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	5384555	0	5384555	46.21	5384555	0	5384555	46.21	0.00
	<b>Total A=A(1)+A(2)</b>	7977288	0	7977288	68.47	8085906	0	8085906	69.40	0.93
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	14524	0	14524	0.12	195	0	195	0.00	-0.12
(b)	Financial Institutions/Banks	66418	6322	72740	0.62	66418	297	66715	0.57	-0.05
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	2534	185	2719	0.02	2534	185	2719	0.02	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	83476	6507	89983	0.77	69147	482	69629	0.60	-0.17
(2)	NON- INSTITUTIONS									
(a)	Bodies Corporate	882138	5571	887709	7.62	863814	5536	869350	7.46	-0.16
(b)	Individuals									
	(i) Individuals holding nominal share capital upto ₹ 1 lakh	701444	152648	854092	7.33	605023	133595	738618	6.34	-0.99
	(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	505728	0	505728	4.34	546071	0	546071	4.69	0.35
(c)	<b>Others</b>									
	CLEARING MEMBERS	675	0	675	0.01	651	0	651	0.01	0.00
	FOREIGN BODIES	18840	0	18840	0.16	18840	0	18840	0.16	0.00
	I E P F	68678	0	68678	0.59	84084	0	84084	0.72	0.13
	NON RESIDENT INDIANS	1178178	57399	1235577	10.60	1175325	50308	1225633	10.52	-0.09
	NRI NON- REPATRIATION	12640	0	12640	0.11	12428	0	12428	0.11	0.00
(d)	<b>Qualified</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Foreign Investor</b>									
	Sub-Total B(2) :	3368321	215618	3583939	30.76	3306236	189439	3495675	30.00	-0.76
	Total B=B(1)+B(2) :	3451797	222125	3673922	31.53	3375383	189921	3565304	30.60	-0.93
	<b>Total (A+B) :</b>	11429085	222125	11651210	100.00	11461289	189921	11651210	100.00	0.00
<b>(C)</b>	<b>Shares held by custodians, against which</b>	0	0	0	0					0
	Depository Receipts have been issued	0	0	0	0					0
(1)	Promoter and Promoter Group	0	0	0	0					0
(2)	Public	0	0	0	0.00					0.00
	<b>GRAND TOTAL (A+B+C)</b>	11429085	222125	11651210	100.00	11461289	189921	11651210	100.00	

# ASIAN HOTELS (WEST) LIMITED

## ii) Shareholding of Promoters:

S. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% 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.	D.S.O Limited*	5384555	46.21	Nil	5384555	46.21	Nil	Nil
2.	Chaman Lal Gupta And Sons (HUF)	350287	3.01	Nil	Nil	Nil	Nil	-3.01
3.	Mr. Sushil Kumar Gupta*	619047	5.31	Nil	878816	7.54	Nil	2.23
4.	Mr. Sudhir Gupta	214290	1.84	Nil	214290	1.84	Nil	Nil
5.	Mrs. Vinita Gupta*	458926	3.94	Nil	458926	3.94	Nil	Nil
6.	Mr. Sandeep Gupta*	531298	4.56	Nil	644934	5.54	Nil	0.98
7.	Mrs. Gunjan Jain	77700	0.67	Nil	77700	0.67	Nil	Nil
8.	Mrs. Renu Arun Aggarwal	49500	0.42	Nil	49500	0.42	Nil	Nil
9.	Mrs. Madhu Jain	101715	0.87	Nil	102215	0.88	Nil	0.01
10.	Mr. Pankaj Gupta	55275	0.47	Nil	55275	0.47	Nil	Nil
11.	Mrs. Jyotsana Amal Karl	14325	0.12	Nil	14325	0.12	Nil	Nil
12.	Mrs. Sonal Sharma	16500	0.14	Nil	16500	0.14	Nil	Nil
13.	Aria Resorts India Pvt. Ltd., formerly known as CLG Hotels and Resorts Pvt. Ltd.	103870	0.89	Nil	103870	0.89	Nil	Nil
14.	Chaman Lal Brij Rani Charitable Trust	Nil	Nil	Nil	85000	0.73	Nil	0.73
<b>TOTAL</b>		<b>7977288</b>	<b>68.47</b>	<b>Nil</b>	<b>8085906</b>	<b>69.40</b>	<b>Nil</b>	<b>0.94</b>

\* 51% of the total paid up Equity Share Capital of the Company are encumbered. (Non-Disposal Undertaking in favour of Yes Bank Ltd.)

## iii) Change in Promoters' Shareholding

S. No	Name of the Promoter	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019)/ end of the year (31- 03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
	<b>AT THE BEGINNING OF THE YEAR</b>	<b>7977288</b>	<b>68.47</b>					
	<b>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):</b>							
1.	D.S.O. Limited	5384555	46.21	01.04.2019	Nil	NA	5384555	46.21
		5384555	46.21	31.03.2020				
2.	Mr. Sushil Kumar Gupta	619047	5.31	01.04.2019				
				31.05.2019	259769	Inter- se Transfer	878816	7.54
		878816	7.54	31.03.2020				



# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Promoter	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019)/ end of the year (31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
3.	Mr. Sandeep Gupta	531298	4.56	01.04.2019				
				01.04.2019	2789	Open Market Purchase	534087	4.58
				31/05/2019	4773		538860	4.62
				14/06/2019	16277		555137	4.76
				21/06/2019	1983		557120	4.78
				28/06/2019	2106		559226	4.80
				05/07/2019	1971		561197	4.82
				02/08/2019	5518	Inter- Se Transfer	566715	4.86
				23/08/2019	32	Open Market Purchase	566747	4.86
				30/08/2019	7824		574571	4.93
				06/09/2019	6834		581405	4.99
				13/09/2019	2239		583644	5.01
				20/09/2019	1646		585290	5.02
				27/09/2019	6727		592017	5.08
				30/09/2019	3479		595496	5.11
				04/10/2019	6583		602079	5.17
				29/11/2019	163		602242	5.17
				06/12/2019	2238		604480	5.19
				13/12/2019	4390		608870	5.23
				31/12/2019	5575		614445	5.27
				03/01/2020	786		615231	5.28
				21/02/2020	3331		618562	5.31
				28/02/2020	3637		622199	5.34
				06/03/2020	3236		625435	5.37
				13/03/2020	10567		636002	5.46
				20/03/2020	4832		640834	5.50
				27/03/2020	4100		644934	5.54
		644934	5.54	31.03.2020				
4.	Mrs. Vinita Gupta	458926	3.94	01.04.2019	Nil	NA	458926	3.94
		458926	3.94	31.03.2020				
5.	M/s Chaman Lal Gupta and Sons, HUF	350287	3.01	01.04.2019				
				31.05.2019	259769	Inter- se Transfer	90518	0.78
				21.06.2019	85000	Inter- se Transfer	5518	0.05
				02.08.2019	5518	Inter- se Transfer	Nil	Nil
		Nil	Nil	31-03-2020				
6.	Mr. Sudhir Gupta	214290	1.84	01-04- 2019	Nil	NA	214290	1.84
		214290	1.84	31-03- 2020				

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Promoter	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019)/ end of the year (31- 03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
7.	Aria Resorts India Pvt. Limited (formerly known as CLG Hotels and Resorts Pvt. Ltd.)	103870	0.89	01.04.2019	Nil	NA	103870	0.89
		103870	0.89	31.03.2020				
8.	Chaman Lal Brij Rani Charitable Trust	0	0	01.04.2019				
				21.06.2019	85000	Inter- se Transfer	85000	0.73
		85000	0.73	31.03.2020				
9.	Mrs. Gunjan Jain	77700	0.67	01.04.2019	Nil	NA	77700	0.67
		77700	0.67	31.03.2020				
10.	Mrs. Madhu Jain	101715	0.87	01.04.2019				
				20.12.2019	500	Transfer	102215	0.88
		102215	0.88	31.03.2020				
11	Mr. Pankaj Gupta	55275	0.47	01.04.2019	Nil	NA	55275	0.47
		55275	0.47	31.03.2020				
12	Mrs. Renu Arun Aggarwal	49500	0.42	01.04.2019	Nil	NA	49500	0.42
		49500	0.42	31.03.2020				
13	Mrs. Sonal Sharma	16500	0.14	01.04.2019	Nil	N.A	16500	0.14
		16500	0.14	31.03.2020				
14	Mrs. Jyotsana Amal Karl	14325	0.12	01.04.2019	Nil	NA	14325	0.12
		14325	0.12	31.03.2020				
	AT THE END OF THE YEAR	8085906	69.4	31.03.2020			8085906	69.4

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

S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019) / end of the year (31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Radhe Shyam Saraf	572071	4.91	01-04-2019	Nil	N.A	572071	4.91
		572071	4.91	31-03-2020				
2	Ms. Ratna Saraf	529100	4.54	01-04-2019	Nil	N.A	529100	4.54
		529100	4.54	31-03-2020				
3	M/s Asian Hotels (East) Limited.	524438	4.50	01-04-2019	Nil	N.A	524438	4.50
		524438	4.50	31-03-2020				
4	Mr. Mahinder Kumar Jain	101650	0.87	01-04-2019	Nil	N.A	101650	0.87
		101650	0.87	31-03-2020				
5	Mr. Sunil Hanskrishna Khanna	91087	0.78	01-04-2019	Nil	N.A	91087	0.78
		91087	0.78	31-03-2020				
6	M/s Burmans Finvest Pvt. Ltd.	71608	0.61	01-04-2019	Nil	N.A	71608	0.61
		71608	0.61	31-03-2020				
7	Investor Education And Protection Fund Authority	68678	0.59	01.04.2019		Transfer to IEPF Authority		
				08-11-2019	15406		84084	0.72
		84084	0.72	31.03.2020				
8	Mr. Kishore Mishrilal Bang	60322	0.52	01.04.2019		Transfer		
				18-10-2019	-26500		33822	0.29
		33822	0.29	31.03.2020				
9	Ms. Neeta Bansal	60000	0.51	01.04.2019	Nil	NA	60000	0.51
		60000	0.51	31-03-2020				

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S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019) / end of the year (31-03-2020)	% of total share s of the Company				No. of Shares	% of total shares of the Company
10	Mr. Vardhman Jain	1	0	01.04.2019		Open Market Purchase		
				05-04-2019	65		66	0
				10-05-2019	190		256	0
				17-05-2019	662		918	0.01
				24-05-2019	13692		14610	0.13
				31-05-2019	-1210		13400	0.12
				07-06-2019	437		13837	0.12
				14-06-2019	-13670		167	0
				21-06-2019	-20		147	0
				12-07-2019	155		302	0
				19-07-2019	217		519	0
				26-07-2019	433		952	0.01
				02-08-2019	1283		2235	0.02
				09-08-2019	1029		3264	0.03
				16-08-2019	231		3495	
				23-08-2019	1265		4760	0.04
				30-08-2019	-4595		165	0
				06-09-2019	-164		1	0
				18-10-2019	66		67	0
				25-10-2019	1008		1075	0.01
				01-11-2019	1355		2430	0.02
				08-11-2019	3511		5941	0.05
				15-11-2019	495		6436	0.06
				22-11-2019	12051		18487	0.16
				29-11-2019	10617		29104	0.25
				06-12-2019	6245		35349	0.3
				13-12-2019	-647		34702	0.3
				20-12-2019	10429		45131	0.39
				27-12-2019	-1471		43660	0.37
				31-12-2019	-1500		42160	0.36
				03-01-2020	353		42513	0.36
				10-01-2020	-128		42385	0.36
				17-01-2020	-92		42293	0.36
				24-01-2020	2082		44375	0.38
				31-01-2020	2439		46814	0.4

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019) / end of the year (31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				07-02-2020	3578	Open Market Purchase	50392	0.43
				14-02-2020	137		50529	0.43
				21-02-2020	1996		52525	0.45
				28-02-2020	4598		57123	0.49
				06-03-2020	193		57316	0.49
				13-03-2020	-128		57188	0.49
				20-03-2020	134		57322	0.49
				27-03-2020	180		57502	0.49
				31-03-2020	153		57655	0.49
		57655	0.49	31.03.2020				
11	Ms. Suman Bang	50000	0.43	01.04.2019		Acquired		
				18.10.2019	9000		59000	0.51
		59000	0.51	31.03.2020				

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

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

S. No	Name of the Director/KMP	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01- 04-2019 to 31-03- 2020)	
		No of Shares at the beginning (01-04-2019) / end of the year (31- 03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Sushil Kumar Gupta	619047	5.31	01.04.2019		Inter-se Transfer		
				10.08.2019	259769		878816	7.54
		878816	7.54	31.03.2020				
2	Mr. Sandeep Gupta	531298	4.56	01.04.2019		Open Market Purchase		
				01-04-2019	2789		534087	4.58
				31-05-2019	4773		538860	4.62
				14-06-2019	16277		555137	4.76
				21-06-2019	1983		557120	4.78
				28-06-2019	2106		559226	4.8
				05-07-2019	1971		561197	4.82
				02-08-2019	5518	Inter-se Transfer	566715	4.86
				23-08-2019	32		566747	4.86
				30-08-2019	7824	Open Market Purchase	574571	4.93
				06-09-2019	6834		581405	4.99
				13-09-2019	2239		583644	5.01
				20-09-2019	1646		585290	5.02
				27-09-2019	6727		592017	5.08
				30-09-2019	3479		595496	5.11
				04-10-2019	6583		602079	5.17
				29-11-2019	163		602242	5.17
				06-12-2019	2238		604480	5.19
				13-12-2019	4390		608870	5.23
				31-12-2019	5575		614445	5.27
				03-01-2020	786		615231	5.28

# ASIAN HOTELS (WEST) LIMITED

S. No	Name of the Director/KMP	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No of Shares at the beginning (01-04-2019) / end of the year (31-03-2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				21-02-2020	3331	Open Market Purchase	618562	5.31
				28-02-2020	3637		622199	5.34
				06-03-2020	3236		625435	5.37
				13-03-2020	10567		636002	5.46
				20-03-2020	4832		640834	5.5
				27-03-2020	4100		644934	5.54
		644934	5.54	31.03.2020				
3	Mr. Sudhir Gupta	214290	1.84	01.04.2019	Nil	NA	214290	1.84
		214290	1.84	31.03.2020				
4	Dr. Lalit Bhasin	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				
5	Mr. Raj Kumar Bhargava	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				
6	Mr. Surendra Singh Bhandari	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				
7	Mrs. Vinita Gupta	458926	3.94	01.04.2019	Nil	N.A	458926	3.94
		458926	3.94	31.03.2020				
8	Mr. Surinder Singh Kohli	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				
9	Mrs. Meeta Makhan	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				
10	Mr. Rakesh Kumar Aggarwal	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				
11	Mr. Vivek Jain	Nil	Nil	01.04.2019	Nil	N.A	Nil	Nil
		Nil	Nil	31.03.2020				

## V. INDEBTEDNESS

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
a) Principal Amount	2,17,14,21,493	6,50,00,000	-	2,23,64,21,493
b) Interest due but not paid	-	-		
c) Interest accrued but not due	1,86,58,489	50,04,638	-	2,36,63,127
<b>Total (i+ii+iii)</b>	<b>2,19,00,79,982</b>	<b>7,00,04,638</b>	<b>-</b>	<b>2,26,00,84,620</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	1,33,10,403		-	1,33,10,403
Reduction		(7,25,323)	-	(7,25,323)
<b>Net Change</b>	<b>1,33,10,403</b>	<b>(7,25,323)</b>	<b>-</b>	<b>1,25,85,080</b>
<b>Indebtedness at the end of the financial year</b>				
a) Principal Amount	2,18,45,79,988	6,50,00,000	-	2,24,95,79,988
b) Interest due but not paid	-	-		
c) Interest accrued but not due	1,88,10,397	42,79,315	-	2,30,89,712
<b>Total (i+ii+iii)</b>	<b>2,20,33,90,835</b>	<b>6,92,79,315</b>	<b>-</b>	<b>2,27,26,69,700</b>

# ASIAN HOTELS (WEST) LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹ lacs)

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Sushil Kumar Gupta, CMD	Mr. Sudhir Gupta, WTD	Mr. Sandeep Gupta, WTD	
1.	<b>Gross Salary</b>				
	a) Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961	249.05	153.28	181.61	<b>583.94</b>
	b) Value of perquisites u/s 17 (2) Income – tax Act, 1961	0.40	0.40	0.40	<b>1.20</b>
	c) Profits in Lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	<b>Nil</b>
2.	Stock Option	Nil	Nil	Nil	<b>Nil</b>
3.	Sweat Equity	Nil	Nil	Nil	<b>Nil</b>
4.	Commission paid	15.10	15.10	15.10	<b>45.30</b>
	– As % of profit	Nil	Nil	Nil	<b>Nil</b>
	– Other, specify...	Nil	Nil	Nil	<b>Nil</b>
5.	Other, please specify	Nil	Nil	Nil	<b>Nil</b>
	<b>Total (A)</b>	<b>264.55</b>	<b>168.78</b>	<b>197.11</b>	<b>630.44</b>

### b. Remuneration to other directors:

(Amount in ₹ lacs)

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Raj Kumar Bhargava	Dr. Lalit Bhasin	Mr. Surendra Singh Bhandari	Mr. Surinder Singh Kohli	Mrs. Meeta Makhan	
1.	<b>Independent Directors</b>						
	a) Fee for attending board committee meetings	3.00	1.40	2.60	2.20	1.20	<b>10.40</b>
	b) Commission paid	3.02	3.02	3.02	3.02	3.02	<b>15.10</b>
	c) Others, please specify conveyance	Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
	<b>Total (1)</b>	<b>6.02</b>	<b>4.42</b>	<b>5.62</b>	<b>5.22</b>	<b>4.22</b>	<b>25.50</b>
2.	<b>Other Non-Executive Directors</b>						
		Mrs. Vinita Gupta (appointed w.e.f. 23.12.2019)					
	a) Fees for attending board committee meetings	0.20	Nil	Nil	Nil	Nil	<b>0.20</b>
	b) Commission paid	Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
	c) Other, please specify	Nil	Nil	Nil	Nil	Nil	<b>Nil</b>
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>0.20</b>
	<b>Total (B) = (1+ 2)</b>						<b>25.70</b>
	Total (including sitting fees)* (A+B)						<b>656.14</b>

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

# ASIAN HOTELS (WEST) LIMITED

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

SI No.	Particulars of Remuneration	CFO	Company Secretary	Total
1.	Gross Salary	Mr. Rakesh Kumar Aggarwal	Mr. Vivek Jain	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act. 1961	63.37	35.53	98.90
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	0.40	Nil	0.40
	(c) Profit in lieu of salary under section 17(3) of Income tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A
4.	Commission paid	N.A	N.A	N.A
	– as % of profit	N.A	N.A	N.A
	– other, specify	N.A	N.A	N.A
5.	Others (employer contribution to provident fund)	3.73	1.78	5.51
	<b>Total</b>	<b>67.50</b>	<b>37.31</b>	<b>104.81</b>

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

*There were no penalties/ Punishment/ Compounding of offences for the year ending 31st March, 2020.*

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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

FORM NO. MR - 3  
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

The Members,

**Asian Hotels (West) Limited**

(L55101DL2007PLC157518)

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

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(not applicable to the Company during the period of audit)*
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 *(not applicable as the Company has not formulated any Employee Stock Option Purchase Scheme);*
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(not applicable to the Company during the period of audit);*
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(not applicable to the Company during the period of audit)*
  - h) The Securities and Exchange Board of India (Delisting Equity Shares) Regulations, 2009; *(not applicable as the Company has not formulated any Employee Stock Option Purchase Scheme);* and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(not applicable to the Company during the period of audit)*
- (vi) We further, report that with respect to the compliance of the below mentioned law, we have relied on the compliance system prevailing in the Company and on the basis of representation received from the management:

- i. Food Safety and Standard Act, 2006 and Rules/ Regulations

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India. The Company is generally regular in complying with the standards.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

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



# ASIAN HOTELS (WEST) LIMITED

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## **We further report that:**

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

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

Majority decision were carried through and there were no instances where any director expressing any dissenting views.

**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 following events/actions that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- i. In the Meeting held on May 21, 2019, the Board of Directors had declared the dividend at the rate of 9% p.a. to the preference shareholders which was paid on May 31, 2019 in terms of the shareholders resolution passed in the Annual General Meeting held on July 03, 2018 for issuance of 1,50,00,000 Non – Convertible Non-Cumulative Redeemable Preference Shares (9%) of ₹ 10/- each and
- ii. In the Meeting held on August 12, 2019, the Board of Directors had approved to pay commission for the Financial Year 2018–19 to its executive directors and non-executive directors in accordance with the approval granted by the shareholders of the Company.

## **For PI & Associates, Company Secretaries**

**Nitesh Latwal Partner**  
**ACS No.: A32109 C P No.: 16276**  
UDIN: A032109B000622512

Date: June 30, 2020  
Place: New Delhi

*This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report. Further, due to lockdown and social distancing guidelines issued by the Ministry of Home Affairs on different dates vide orders dated March 29, 2020, April 15, 2020 and May 01, 2020 for containment of spread of Covid-19, the documents, registers, forms, etc. have not been physically verified by us especially for the last half year period, as maintained by the Company at their offices. However, we have taken all possible steps to verify the records as made available to us by the company through electronic medium and taken confirmation from the Company, wherever required.*

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**“Annexure A”**

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

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

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

## **For PI & Associates, Company Secretaries**

**Nitesh Latwal Partner**  
**ACS No.: A32109 C P No.: 16276**  
UDIN: A032109B000622512

Date: June 30, 2020  
Place: New Delhi

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 8 TO THE DIRECTORS' REPORT

### FORM NO. AOC-2

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

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

A. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2020 : **Not Applicable**

B. Details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2020 are as follows

Sl. No	Name of Related Party and Nature of relationship	Nature of Contract/ arrangements/ transactions	Duration of Contract / arrangements/ transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any:	Amount Paid (amount in ₹)
1	M/s Aria Hotels and Consultancy Services Pvt Ltd (Subsidiary of the Company)	GST paid on IFRSD on commercial space acquired by company in JW Marriott commercial Tower	Monthly Transaction	Payment of GST on Interest Free Refundable Security Deposit for commercial space acquired by Company in the J.W. Marriott Hotel Commercial Tower in terms of following Agreements entered into with Aria: i) Agreement dated 18th September, 2012 (valid upto 1st May, 2036 further extension of 30 Years) for commercial space on 6th Floor (Unit 6AD) at Aria Towers, J.W. Marriott. Company has further sublicensed the space to Michelle Susan Dell Foundation ii) Agreement dated 20th February, 2013 (valid upto 19th February, 2028) for commercial space on 6th Floor (Unit 6BC) at Aria Towers, J.W. Marriott. Company is using the space to for its corporate office.	75,11,136
		License Fee for the Financial Year 2019- 20 (Excluding GST amount)	One Time Transaction	As per terms of Sub license agreement executed between Asian Hotels (West) Ltd. and Aria Hotels and Consultancy Services Pvt. Ltd. dated 18th September, 2012	10,37,873
2	M/s Bhasin & Company	Professional services	Monthly Transaction	Legal Retainership fees as well as for hearing in a consumer court case.	1,65,200
3	Ms. Sukriti Gupta	Professional services	Monthly Transaction	Consultancy Fees	6,00,000
4	Mr. Sidharth Aggarwal	Professional services	Monthly Transaction	Professional Fee / Re-imbursement of expenses for advice on legal matter/ appearance fee / re-imbursement of expenses etc. for various legal matters.	7,38,250
5.	Executive (Whole-Time) Directors	Professional services	Monthly Transaction	Remuneration paid to Executive Whole- Time Directors of the Company	6,30,46,237
6.	Other Key Managerial Persons (CFO & CS)	Professional services	Monthly Transaction	Remuneration paid to Key Managerial Personal(s) of the Company	1,04,80,949

Appropriate approvals have been taken for Related Party Transactions in the Audit Committee Meeting(s) and Board Meeting(s), respectively  
Details of all Related Party Transactions are given in note no 42 of the Financial Statement for the Financial Year ended March 31, 2020.

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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

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

#### A. CONSERVATION OF ENERGY

S. NO.	STEPS TAKEN ON CONSERVATION OF ENERGY DURING THE YEAR 2019-20	IMPACT (SAVINGS IN LAC RS. PER ANNUM)
1	Supply demand Flow management on chillers and air conditioning plant	26.88
2	Installation of efficient steam trap on steam return lines	25.25
	<b>Total savings</b>	<b>52.13</b>

S. NO.	STEPS TAKEN FOR UTILIZING ALTERNATE SOURCE OF ENERGY DURING THE YEAR 2019-20	IMPACT (SAVINGS IN LAC RS. PER ANNUM)
1	The Company has actively negotiated and entered into a Power Purchase Agreement under Open Access Scheme to buy cheaper renewable power & through owned captive 1 MW Solar Plant at Satara, Maharashtra	341.17
	<b>Total savings</b>	<b>341.17</b>

S. NO.	ADDITIONAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS – PROPOSAL FOR THE YEAR 2020-21	IMPACT (SAVINGS IN LAC RS. PER ANNUM)
1	Ultra-filtration for STP	20.00
	<b>Total savings</b>	<b>20.00</b>

#### B. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(₹ in lakhs)

	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
<b>Foreign Exchange earnings (on receipt basis)</b>	<b>6154.09</b>	<b>6822.73</b>
<b>Foreign Exchange outgo (on payment basis)</b>	<b>1123.91</b>	<b>1287.84</b>

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

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

Place: New Delhi  
Date : 25<sup>th</sup> August, 2020

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

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

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

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

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

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

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

**2. THE COMPOSITION OF THE CSR COMMITTEE.**

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

**3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS : Rs 265.34 Lacs**

**4. PRESCRIBED CSR EXPENDITURE (2% OF THE AMOUNT AS IN ITEM 3 ABOVE) : ₹ 5.31 Lacs**

Add: unspent amount on CSR activities in the previous FY 2018-19 : Nil

Total Amount to be spent on CSR activities in the FY 2019-20 : ₹ 5.31 Lacs

**5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR.**

- a) Total amount spent for the financial year : ₹ 10.35 Lacs/-
- b) Amount unspent if any : Nil

# ASIAN HOTELS (WEST) LIMITED

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

(₹ in lakhs)

S. NO	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMS (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMS WAS UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROGRAM WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUBHEADS: (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAMS. (2) OVERHEADS:	CUMULATIVE EXPENDITURE UPTO TO THE REPORTING PERIOD	AMOUNT SPENT: DIRECTOR THROUGH IMPLEMENTING AGENCY
1.	Satyanand Yog Darshan Peeth	Health (Free Education of Yoga)	Bihar School of Yoga Ganga Darshan, Fort Munger, Bihar-811201, India	10.00	10.00	10.00	Direct
2.	Earth Saviours Foundation	Hunger (one day Meal)	Bandhwari Village, (Gurgaon –Faridabad Road) Near Golf Course, Gurugram, Haryana	0.35	0.35	0.35	Direct
	<b>TOTAL</b>				<b>10.35</b>	<b>10.35</b>	

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

**For Asian Hotels (West) Limited**

**Sushil Kumar Gupta**  
**Chairman & Managing Director**

**Sudhir Gupta**  
**Chairman of CSR Committee**

Place : New Delhi  
Date : 25<sup>th</sup> August, 2020

# ASIAN HOTELS (WEST) LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of Asian Hotels (West) Limited

### Report on the Audit of the standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of Asian Hotels (West) Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

#### Emphasis of Matter paragraph

We draw attention to Note 50 to the accompanying standalone financial statements which describes the impact of COVID-19 pandemic on the Company's operations, future cash flows of the company and its consequential impact on the standalone financial statements as assessed by the management. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Impairment assessment of property, plant &amp; equipment (PPE), right to use asset and investment in subsidiary by the Company. (as described in note 50 of the Ind AS financial statements)</b>	
<p>The spread of COVID-19 pandemic is expected to slow down business and leisure travel globally for the next few years. Accordingly, the management has performed an impairment assessment of Company's property, plant &amp; equipment, right to use assets and investment in subsidiary by calculating their value in use.</p> <p>The processes and methodologies for assessing and determining the value in use are based on assumptions, that by their nature imply the use of the management's judgment, in particular with reference to forecast of future cash flows, basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.</p> <p>Considering the judgment required for estimating the cash flows and the assumptions used, this is considered as a key audit matter in our audit of the standalone Ind AS financial statements of the Company.</p>	<p>Our audit procedures included, amongst others:</p> <ol style="list-style-type: none"> <li>Our audit procedures included testing of relevant controls established by management for assessing whether any indicators of impairment exist and for preparation of discounted future cash flows.</li> <li>We evaluated the appropriateness of methodology and key assumptions considered by management for calculating future cash flows</li> <li>We involved our internal valuation specialist to review the appropriateness of assumptions, methodology and estimates considered by the management in calculation of discounted cash flows</li> <li>Performed sensitivity analysis around impact on future cash flows due to changes in key assumptions considered by management</li> <li>Verified the arithmetical accuracy of the future cash flow model and assessed the recoverability of PPE, right to use and investment in subsidiary with regard to their value in use.</li> </ol>

## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

# ASIAN HOTELS (WEST) LIMITED

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 40 to the standalone Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**Sd/**

**per Atul Seksaria**

Partner

Membership Number: 086370

UDIN: 20086370AAAABU5546

Place of Signature: Faridabad

Date: June 30, 2020



# ASIAN HOTELS (WEST) LIMITED

**Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date**

**Re: Asian Hotels (West) Limited (the Company)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company. As explained to us, the title deeds of land have been given as security (mortgage and charge) against the term loan taken from banks and therefore the same could not be made available to us for verification.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given 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. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	55.40	FY 2012-13	Joint Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax Act, 2002	VAT Assessment demand	12.22	FY 2013-14	Joint Commissioner of Sales Tax (Appeal)
Finance Act, 1994	Demand for Refund of service tax	55.56	September 2002 to September 2006	CESTAT Mumbai
Finance Act, 1994	Demand for disallowance of credit of service tax	515.51	FY 2007-08 to 2011-12	CESTAT Mumbai

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institution or bank. The Company did not have any outstanding dues in respect of government or debentures during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments. Further, in our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loan for the purposes for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**Sd/**

**per Atul Seksaria**

Partner

Membership Number: 086370

UDIN: 20086370AAAABU5546

Place of Signature: Faridabad

Date: June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

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

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

We have audited the internal financial controls over financial reporting of Asian Hotels (West) Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

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

#### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

Sd/

per **Atul Seksaria**

Partner

Membership Number: 086370

UDIN: 20086370AAAABU5546

Place of Signature: Faridabad

Date: June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## BALANCE SHEET AS AT 31 MARCH 2020

(All amount in ₹ lakhs, unless otherwise stated)			
	Note	As at March 31, 2020	As at March 31, 2019
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	23,412.57	23,622.52
(b) Capital work-in-progress	4	-	55.89
(c) Right-of-use assets	5	2,881.24	-
(d) Financial assets			
(i) Investments	6	32,745.80	32,745.80
(ii) Other financial assets	7	120.42	111.77
(e) Non current tax assets (Net)	8	202.22	67.16
(f) Other non current assets	9	27.97	2,651.99
		<u>59,390.22</u>	<u>59,255.13</u>
<b>(2) Current assets</b>			
(a) Inventories	10	218.41	228.06
(b) Financial assets			
(i) Investments	11	1.81	3.57
(ii) Trade receivables	12	655.24	722.90
(iii) Cash and cash equivalents	13	753.47	36.95
(iv) Bank balances other than (iii) above	14	275.35	24.19
(v) Loans	15	0.25	0.97
(vi) Other financial assets	16	66.82	13.75
(c) Other current assets	17	607.26	776.18
		<u>2,578.61</u>	<u>1,806.57</u>
<b>TOTAL ASSETS</b>		<u><b>61,968.83</b></u>	<u><b>61,061.70</b></u>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	1,165.12	1,165.12
(b) Other equity	19	31,796.32	31,603.64
		<u>32,961.44</u>	<u>32,768.76</u>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	21,996.05	21,712.75
(ii) Lease liabilities	5	316.76	-
(ii) Other financial liabilities	21	159.57	167.67
(b) Provisions	22	341.07	462.20
(c) Deferred tax liabilities (net)	23	1,538.30	1,770.10
(d) Other non current liabilities	24	137.41	57.14
		<u>24,489.16</u>	<u>24,169.86</u>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	25	1,535.52	1,028.79
(ii) Lease liabilities	5	76.99	-
(iii) Trade payables	26		
- outstanding dues of micro enterprises and small enterprise		85.49	58.35
- outstanding dues of creditors other than micro enterprises and small enterprises		446.86	467.94
(iv) Other financial liabilities	27	1,542.72	1,733.59
(b) Other liabilities	28	474.77	610.78
(c) Provisions	29	355.88	223.63
		<u>4,518.23</u>	<u>4,123.08</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>61,968.83</b></u>	<u><b>61,061.70</b></u>

Statement of corporate information and significant accounting policies

1 & 2

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

### As per our report of even date

#### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

#### ATUL SEKSARIA

Partner

Membership No. 086370

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

#### SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

#### SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

#### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

#### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹ Lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>INCOME</b>			
I Revenue from operations	30	13,717.81	14,884.29
II Other income	31	593.82	1,031.43
<b>III Total income (I+II)</b>		<b>14,311.63</b>	<b>15,915.72</b>
<b>IV EXPENSES</b>			
Consumption of provisions, foods, beverages and others	32	1,161.70	1,316.16
Employee benefits expense	33	3,636.51	3,383.43
Other expenses	34	5,660.32	6,213.99
<b>Total expenses (IV)</b>		<b>10,458.53</b>	<b>10,913.58</b>
<b>V Profit before interest, depreciation, amortisation and tax (III-IV)</b>		<b>3,853.10</b>	<b>5,002.14</b>
Finance income (A)	35	(26.28)	(26.82)
Finance costs (B)	36	2,702.62	2,625.37
Depreciation and amortisation expense (C)	37	893.16	746.13
<b>VI Profit/(loss) before tax (V- A-B-C)</b>		<b>283.60</b>	<b>1,657.46</b>
<b>VII Tax expense</b>	38		
(1) Current tax		77.84	459.21
(2) Minimum alternate tax credit written off / (entitlement) written off/ (created)		67.16	(38.90)
(3) Income tax adjustment related to earlier years		(0.09)	1.74
(4) Deferred tax (credit)/charge		(220.09)	(1,430.95)
<b>Total tax expense (VII)</b>		<b>(75.18)</b>	<b>(1,008.90)</b>
<b>VIII Profit/(loss) for the year (VI-VII)</b>		<b>358.78</b>	<b>2,666.36</b>
<b>IX Other comprehensive income / (Loss)</b>			
Items that will not be reclassified to profit or loss:			
- Remeasurement gains/(losses) on defined benefit obligation (refer note 44)		38.29	(4.90)
- Income tax relating to items that will not reclassified to profit or loss		(10.31)	1.43
<b>Total other comprehensive income (net of tax)</b>		<b>27.98</b>	<b>(3.47)</b>
<b>X Total comprehensive income for the year (VIII + IX)</b>		<b>386.76</b>	<b>2,662.89</b>
<b>XI Earning per equity share of face value of Re. 10 each</b>	39		
Basic earnings per equity share (₹)		3.08	23.00
Diluted earnings per equity share (₹)		3.08	23.00
Statement of corporate information and significant accounting policies	1 & 2		

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

### As per our report of even date

#### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

#### ATUL SEKSARIA

Partner

Membership No. 086370

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

#### SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

#### SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

#### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

#### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad  
Dated : June 30, 2020

Place : New Delhi  
Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## BALANCE SHEET AS AT 31 MARCH 2020

(All amount in ₹ lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Cash flow from operating activity</b>		
Net profit before tax (I)	283.60	1,657.46
Adjustment for:		
Depreciation and amortisation	893.16	746.13
Loss on sale of property, plant and equipment	1.93	30.89
Provision for doubtful debts	11.82	8.30
Advance written off	-	105.00
Dividend income on investments	-	(12.89)
Fair value gain on financial assets at fair value through profit or loss (FVTPL)	-	(289.60)
Rental Income (including amortisation of security deposit and fair value change adjustments)	(63.92)	(20.42)
Interest income	(13.41)	-
Other Income (including unwinding of security deposit)	(12.88)	(6.20)
Finance and other costs (including fair value change adjustments)	2,702.62	2,625.37
Loss on extinguishment of financial liabilities	8.45	-
Amortisation of security deposit paid	-	65.39
Government grant/EPCG	-	1.50
<b>Total (II)</b>	<b>3,527.77</b>	<b>3,253.47</b>
<b>Operating profit before working capital charges (I-II)</b>	<b>3,811.37</b>	<b>4,910.93</b>
Adjustments for:		
(Increase)/Decrease in inventories	9.65	28.47
(Increase)/Decrease in trade receivables	55.84	200.16
(Increase)/Decrease in financial assets and other assets	100.32	1,539.50
Increase/(Decrease) in trade payables	6.06	94.40
Increase/(Decrease) in financial liabilities, other liabilities and provisions	(40.77)	(223.38)
	131.10	1,639.14
<b>Cash generated from operations</b>	<b>3,942.47</b>	<b>6,550.07</b>
Direct taxes paid (Net)	(288.89)	(412.10)
<b>Net cash from Operating Activities (A)</b>	<b>3,653.58</b>	<b>6,137.97</b>
<b>Cash flow from investing activity</b>		
Purchase of property, plant and equipment	(475.01)	(360.35)
Sale of property, plant and equipment	7.78	18.42
Investment in subsidiary	-	(9,240.00)
Proceeds from redemption of mutual funds	-	836.17
Proceeds from sale of investments in shares	1.76	-
Investment in fixed deposits (net)	(254.00)	-
Interest received	11.89	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(707.58)</b>	<b>(8,745.76)</b>
<b>Cash flow from financing activity</b>		
Proceeds from long term borrowings	424.52	3,130.00
Repayment of long term borrowings	(453.54)	(364.60)
Principal elements of lease liabilities paid	(34.52)	-
Net proceeds from short term borrowings	506.73	867.17
Proceeds from issue of equity shares	-	597.95
Proceeds from issue of 9% Non Convertible & Non Cumulative Preference share capital	-	650.00
Finance costs paid	(2,461.69)	(2,390.93)
Dividend paid	(140.46)	(138.13)
Interest Payment on preference shares classified as debt	(70.52)	-
<b>Net Cash (used in)/ from Financing activities [C]</b>	<b>(2,229.48)</b>	<b>2,351.46</b>
<b>Net increase/(decrease) in Cash and cash equivalents [A+B+C]</b>	<b>716.52</b>	<b>(256.33)</b>
Cash and cash equivalent at the beginning of the year	36.95	293.28
Cash and cash equivalent at the end of the year	753.47	36.95

The above statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Cash Flow Statement".  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

For and on behalf of the Board of Directors of

Asian Hotels (West) Limited

SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### A Share capital

#### Particulars

Balance as at April 01, 2018

Shares issued during the year

Balance as at March 31, 2019

Shares issued during the year

Closing balance as at March 31, 2020

#### Equity Shares

Numbers	INR lakhs
11,458,303	1,145.83
192,907	19.29
11,651,210	1,165.12
-	-
11,651,210	1,165.12

### B Other equity

	Reserves and Surplus					Total
	Retained earnings	General reserve	Capital reserve	Securities premium account	Capital redemption reserve	
Balance as at April 01, 2018	11,711.21	15,653.24	1.41	144.36	990.00	28,500.22
Profit for the year	2,666.36	-	-	-	-	2,666.36
Premium received pursuant to issue of shares	-	-	-	578.66	-	578.66
Other comprehensive loss for the year (net of tax)	(3.47)	-	-	-	-	(3.47)
<b>Transaction with owners in their capacity as owners:</b>						
Dividend	(114.58)	-	-	-	-	(114.58)
Tax on dividend	(23.55)	-	-	-	-	(23.55)
Balance as at March 31, 2019	14,235.97	15,653.24	1.41	723.02	990.00	31,603.64
Impact on adoption of Ind AS 116	(53.62)	-	-	-	-	(53.62)
Profit for the year	358.78	-	-	-	-	358.78
Other comprehensive income for the year (net of tax)	27.98	-	-	-	-	27.98
<b>Transaction with owners in their capacity as owners:</b>						-
Dividend	(116.51)	-	-	-	-	(116.51)
Tax on dividend	(23.95)	-	-	-	-	(23.95)
Balance as at March 31, 2020	14,428.65	15,653.24	1.41	723.02	990.00	31,796.32

Statement of corporate information and significant accounting policies

1 & 2

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

### As per our report of even date

#### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

#### ATUL SEKSARIA

Partner

Membership No. 086370

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

#### SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

#### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

#### SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

#### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad  
Dated : June 30, 2020

Place: New Delhi  
Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 1. Corporate information

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

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

### 2. Significant accounting policies

#### 2.1 Basis of preparation

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

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

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

#### 2.2 Summary of significant accounting policies

##### a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

##### b. Foreign currencies

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

##### Transactions and balances

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

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

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

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



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### c. Fair value measurement

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

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

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

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

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

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

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

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

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

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

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Quantitative disclosures of fair value measurement hierarchy (Note 45)
- c) Financial instruments (including those carried at amortised cost) (Note 45)

### d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company in exchange for transferring control of goods and services to a customer and the revenue can be reliably measured, regardless of when the payment is being made. Effective April 1, 2018, the Company has applied Ind AS 115 which replaced Ind AS 18 revenue recognition. Revenue is measured at the fair value of the consideration received or receivable and net of rebates, Value added taxes, Goods and service tax and loyalty reward points. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

#### Rendering of services

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

#### Rooms, food, beverages, banquet and other services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Sale of food and beverages are recognized at the point of serving these items to the guests. Revenue from other services is recognized as and when services are rendered. The company collects Value added tax (VAT), and GST on behalf of guests, and therefore, these are not economic benefits flowing to the company, hence, these are excluded from revenue.

#### Income from other allied services

In relation to laundry income, communication income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of services rendered.

#### Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### **Dividends**

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

### **e. Government grants**

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

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

### **f. Taxes**

#### **Current income tax**

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

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

#### **Deferred tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when

- The deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

### **g. Property, plant and equipment**

#### **Recognition and Measurement**

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term projects if the recogni-

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

tion criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

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

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

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

### h. Borrowing costs

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

### i. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Company as a lessor

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

### j. Inventories

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

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

### k. Impairment of non-financial assets

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

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

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

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

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### **I. Provisions and contingent liabilities**

#### **General**

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

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

#### **Contingent liabilities**

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

### **m. Retirement and other employee benefits**

#### **Defined Contribution**

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

#### **Defined Benefits**

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

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

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

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

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

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

#### **Other long term employees benefits**

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### n. Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

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

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

##### Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

##### Debt instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

##### Debt instrument at FVTPL

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

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

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

##### Equity investments

All equity investments (other than investment in subsidiary) in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

##### Derecognition

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

- The rights to receive cash flows from the asset have expired, or

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

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

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

### **Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL

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

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

### **Financial liabilities**

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

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

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

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

#### **Subsequent measurement**

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### Financial liabilities at amortised costs

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

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

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

### Financial guarantee contracts

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

### De-recognition

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

### Reclassification of financial assets.

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

### Offsetting of financial instruments

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

#### **o. Cash and cash equivalents**

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

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

#### **p. Cash dividend to equity holders**

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

#### **q. Earning per share**

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



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 2.3 Significant management judgements in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### *Significant management estimates*

**Allowance for doubtful debts** – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Company has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

**Defined benefit obligations (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

#### *Significant management judgments*

**Evaluation of indicators for impairment of non-financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Contingent liabilities** – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

### 2.4 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 3 Property, plant and equipment

Description	Land - freehold	Buildings	Furniture & fixture	Plant & machinery	Vehicles	Total
<b>Gross carrying value</b>						
<b>As at April 01, 2018</b>	<b>9,684.81</b>	<b>12,100.02</b>	<b>342.67</b>	<b>4,575.31</b>	<b>186.37</b>	<b>26,889.18</b>
Additions	-	147.28	96.04	312.11	-	555.43
Disposals / Adjustments	-	(1.68)	(63.11)	(184.00)	-	(248.79)
<b>As at March 31, 2019</b>	<b>9,684.81</b>	<b>12,245.63</b>	<b>375.60</b>	<b>4,703.42</b>	<b>186.37</b>	<b>27,195.83</b>
Additions	-	-	39.10	380.49	134.87	554.46
Disposals / Adjustments	-	-	(6.05)	(87.92)	(36.78)	(130.75)
<b>As at March 31, 2020</b>	<b>9,684.81</b>	<b>12,245.63</b>	<b>408.65</b>	<b>4,995.99</b>	<b>284.46</b>	<b>27,619.54</b>
<b>Accumulated depreciation</b>						
<b>As at April 01, 2018</b>	<b>-</b>	<b>820.96</b>	<b>67.49</b>	<b>2,083.77</b>	<b>65.91</b>	<b>3,038.14</b>
Charge for the year	-	400.20	46.03	273.03	26.88	746.13
Disposals	-	(0.60)	(59.89)	(150.47)	-	(210.96)
<b>As at March 31, 2019</b>	<b>-</b>	<b>1,220.56</b>	<b>53.64</b>	<b>2,206.33</b>	<b>92.79</b>	<b>3,573.31</b>
Charge for the year	-	411.69	42.84	271.07	29.11	754.71
Disposals	-	-	(5.72)	(78.83)	(36.49)	(121.05)
<b>As at March 31, 2020</b>	<b>-</b>	<b>1,632.25</b>	<b>90.76</b>	<b>2,398.57</b>	<b>85.41</b>	<b>4,206.97</b>
<b>Net carrying value</b>						
<b>As at March 31, 2020</b>	<b>9,684.81</b>	<b>10,613.38</b>	<b>317.89</b>	<b>2,597.43</b>	<b>199.05</b>	<b>23,412.57</b>
<b>As at March 31, 2019</b>	<b>9,684.81</b>	<b>11,025.07</b>	<b>321.96</b>	<b>2,497.09</b>	<b>93.58</b>	<b>23,622.52</b>

### 4 Capital work-in-progress

Movement of capital work in progress is as follows:

Description	Amount
<b>As at April 01, 2018</b>	<b>205.55</b>
Add: Addition during the year	55.89
Less: Capitalisation during the year	205.55
<b>As at March 31, 2019</b>	<b>55.89</b>
Add: Addition during the year	-
Less: Capitalisation during the year	55.89
<b>As at March 31, 2020</b>	<b>-</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 5 Leases

#### A Right-of-use assets

Particulars	Building	Plant & machinery	Total
<b>Cost</b>			
<b>Balance as at April 01, 2019</b>	-	-	-
Adjustment on transition to Ind AS 116 "Leases"	2,802.45	146.45	2,948.90
Additions on account of new leases	-	70.79	70.79
<b>Balance as at March 31, 2020</b>	<b>2,802.45</b>	<b>217.24</b>	<b>3,019.69</b>
<b>Amortisation</b>			
<b>Balance as at April 01, 2019</b>	-	-	-
Charge for the year	83.42	55.04	138.45
<b>Balance as at March 31, 2020</b>	<b>83.42</b>	<b>55.04</b>	<b>138.45</b>
<b>Net Block</b>			
<b>Balance as at March 31, 2020</b>	<b>2,719.03</b>	<b>162.21</b>	<b>2,881.24</b>

The Company's leased assets mainly comprise of office premises and item of plant & machinery. With the exception of short-term leases, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

#### B Lease liabilities

Particulars	Amount
<b>Balance as at April 01, 2019</b>	-
Adjustment on transition to Ind AS 116 "Leases"	357.49
Add : Addition / modification of lease for the year	70.80
Add : Accretion of interest on lease liabilities for the year	40.07
Less: Lease payment for the year	(74.61)
<b>Balance as at March 31, 2020</b>	<b>393.75</b>

Lease liabilities are presented in the statement of financial position as follows:

	March 31, 2020
Non-current	316.76
Current	76.99

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 45.

#### Extension and termination options

The Company has considered option of extending the tenure by 30 years for the above building premises in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period ending May 02, 2036 as the Company is likely to be benefited by exercising the such an extension option.

#### Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) and low value assets. Payments made under such leases are expensed on a straight-line basis.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	March 31, 2020
Short-term leases	4.31
Leases of low value assets	0.78

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### C The following are amounts recognised in profit or loss with respect to leasing arrangements:

Particulars	March 31, 2020
Amortisation expense on Right-of-use assets	138.45
Interest expense on lease liabilities	40.07
Rent expenses	5.09
Rental income (includes income from sublease amounting to Rs 318.78 lakhs)	(392.86)
<b>Total</b>	<b>(209.25)</b>

Total cash outflow in respect of leases in the year amounts to Rs 74.61 lacs

### D Details about arrangements entered as a lessor

#### Operating lease

The Company has entered into a sublease arrangement for some part of premises taken on lease from the subsidiary company. Further, the Company has leased out its roof top space at Hotel Hyatt Regency, Mumbai to telecom operators for setting up of towers. The following table represents maturity analysis of future cashflows to be received from such agreements by the Company over their respective lease terms:

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Not later than one year	344.89	269.05
(b) Later than one year and not later than five years	1,337.92	64.10
(c) Later than five years	1,478.60	-

### E Adoption of Ind AS 116 Leases

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, using modified retrospective approach, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not adjusted comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. This has resulted in recognising a right-of-use asset of ₹ 2,948.91 lakhs ( including reclassification from other assets of Rs 2,667.05 ) and a corresponding lease liability of Rs 357.49 lakhs by adjusting retained earnings net of taxes of ₹ 53.61 lakhs ( including the impact of deferred tax created of ₹ 22.03 lakhs ) as at April 1, 2019. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. Where the Company is lessor and lease classified as operating lease, lease rentals are recognized on straight line basis over the lease period and lease rent receivable recognised.

Consequent to the application of the standard the effect on statement of profit & loss for the year ended march 31, 2020 are as follows:-

Particulars	Year ended March 31, 2020 comparable basis	Changes due to IND AS 116 increase / (decrease)	Year ended March 31,2020 as reported
Other Income	548.49	45.33	593.82
Less:			
Other Expenses	5,815.47	(155.15)	5,660.32
Finance Cost	2,662.54	40.08	2,702.62
Depreciation and amortisation	754.71	138.45	893.16
<b>Profit before tax</b>	<b>261.65</b>	<b>21.95</b>	<b>283.60</b>

In applying Ind-AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous and thereby no impairment review of Right-of-use assets has been performed .on the April 01, 2019 (transition date to Ind AS 116)
- the accounting for operating leases with a remaining lease term of less than 12 months as at April 01, 2019 as short-term leases.
- on transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months, the Company has applied the optional exemption to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

- on transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 was 9.70 % for all leases.
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

**F The following is a reconciliation of total operating lease commitments at March 31, 2019 (as disclosed in the notes to the financial statements for the year ended March 31, 2019) to the lease liabilities recognised at April 01, 2019:**

Particulars	Amount
Total operating lease commitments disclosed at March 31, 2019	305.98
Add: Lease considered in the Ind AS 116 (including lease liability determined with doing certain reasonable extension offer).	2053.07
<b>Total lease obligation before discounting</b>	<b>2,359.04</b>
Discounted using incremental borrowing/implicit rate	357.49
<b>Total lease liabilities recognised under Ind AS 116 at April 01, 2019</b>	<b>357.49</b>

### 6 Investments (Non-current)

#### A Investments at cost

##### (i) Investment in unquoted equity instrument (refer note (i) below)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity shares- 135,984,660 (March 31, 2019 : 135,984,660) of Aria Hotels & Consultancy Services Private Limited of ₹ 10 each	32,745.80	32,745.80
<b>Total investments</b>	<b>32,745.80</b>	<b>32,745.80</b>
Aggregate amount of unquoted investments	32,745.80	32,745.80

#### Notes:

- (i) Investments in subsidiary is stated at cost as per Ind AS 27 "Separate Financial Statements".

### 7 Other financial assets (non-current)

#### Unsecured , considered good

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	120.42	111.77
<b>Total</b>	<b>120.42</b>	<b>111.77</b>

#### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 8 Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision for tax)	202.22	-
MAT credit entitlement (refer note 38 & 49)	-	67.16
<b>Total</b>	<b>202.22</b>	<b>67.16</b>

### 9 Other non-current assets

#### (Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances	21.22	45.51
Prepaid expenses	6.75	19.75
Deferred lease expense on security deposit paid (refer note 5)	-	2,586.73
<b>Total</b>	<b>27.97</b>	<b>2,651.99</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 10 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2020	As at March 31, 2019
Wines & liquor	91.51	99.93
Food, beverages and smokes	29.04	24.10
Crockery, cutlery, silverware, linen etc.	55.60	72.59
General stores and spares	42.26	31.44
<b>Total</b>	<b>218.41</b>	<b>228.06</b>

### 11 Investments (Current)

Investments at fair value through profit and loss (FVTPL):

Particulars	As at March 31, 2020	As at March 31, 2019
Quoted equity shares:		
Investment in quoted equity shares as held for trading	1.81	3.57
<b>Total</b>	<b>1.81</b>	<b>3.57</b>
<b>Aggregate amount of quoted investments</b>	<b>1.81</b>	<b>3.57</b>

### 12 Trade receivables (Unsecured)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good	655.24	722.90
Trade receivables considered doubtful	20.12	8.30
<b>Total</b>	<b>675.36</b>	<b>731.20</b>
Less : Provision for doubtful debts	(20.12)	(8.30)
<b>Total</b>	<b>655.24</b>	<b>722.90</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 13 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks in current accounts	738.61	9.08
Cash on hand	14.86	8.35
Cheques on hand	-	19.52
<b>Total</b>	<b>753.47</b>	<b>36.95</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 14 Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Dividend accounts (refer note (i) below)	21.35	24.19
Deposit with original maturity for more than 3 months but less than 12 months (refer note (iii) below)	254.00	-
<b>Total</b>	<b>275.35</b>	<b>24.19</b>

**Notes:**

- (i) Not available for use by the Company as these represent corresponding unpaid/unclaimed dividend liabilities.  
(ii) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost.  
(ii) Other bank balance include fixed deposit under lien with Yes Bank against borrowings.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 15 Loans (Current)

#### Unsecured, considered good

##### Particulars

	As at March 31, 2020	As at March 31, 2019
Loans to employees	0.25	0.97
<b>Total</b>	<b>0.25</b>	<b>0.97</b>

##### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 16 Other current financial assets

#### Unsecured, considered good

##### Particulars

	As at March 31, 2020	As at March 31, 2019
Security deposits	19.98	13.75
Lease rent receivable	45.33	-
Interest accrued on fixed deposit	1.51	
<b>Total</b>	<b>66.82</b>	<b>13.75</b>

##### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 17 Other current assets

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

##### Particulars

	As at March 31, 2020	As at March 31, 2019
Advance to suppliers	194.11	77.52
Balances with statutory authorities	298.10	295.87
Prepaid expenses	69.07	135.81
Deferred lease expense on security deposit paid	-	80.32
Advance recoverable in cash or kind	45.98	186.66
<b>Total</b>	<b>607.26</b>	<b>776.18</b>

### 18 Share capital

	As at March 31, 2020	As at March 31, 2019
<b>A Authorised</b>		
2,50,00,000 (Previous year: 2,50,00,000) Equity shares of ₹ 10 each	2,500.00	2,500.00
1,50,00,000 (Previous year: 1,50,00,000) Preference shares of ₹ 10 each	1,500.00	1,500.00
	<b>4,000.00</b>	<b>4,000.00</b>
<b>B Issued, subscribed &amp; fully paid up*</b>		
1,16,51,210 (Previous year: 1,16,51,210) equity shares of ₹ 10 each	1,165.12	1,165.12
<b>Total</b>	<b>1,165.12</b>	<b>1,165.12</b>

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

#### C Terms / rights attached to each class of shares:

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

Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

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

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### D Reconciliation of number of equity shares

	As at March 31, 2020		As at March 31, 2019	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	11,651,210	1,165.12	11,458,303	1,145.83
Changes during the year	-	-	192,907	19.29
Equity shares at the end of the year	11,651,210	1,165.12	11,651,210	1,165.12

### E Details of shareholders holding more than 5% of equity shares in the company

	As at March 31, 2020		As at March 31, 2019	
	No of shares	% holding	No of shares	% holding
D.S.O. Limited	5,384,555	46.21%	5,384,555	46.21%
Mr. Sushil Kumar Gupta	878,816	7.54%	619,047	5.31%
Mr. Sandeep Gupta	644,934	5.54%		

As per records of the Company, including its register of shareholders/members.

## 19 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A Capital reserve</b>		
Opening balance	1.41	1.41
Change during the year	-	-
<b>Closing balance</b>	1.41	1.41
<b>B Capital redemption reserve</b>		
Opening balance	990.00	990.00
Change during the year	-	-
<b>Closing balance</b>	990.00	990.00
<b>C Securities premium account</b>		
Represents the amount received in excess of par value of securities.		
Opening balance	723.02	144.36
Change during the year	-	578.66
<b>Closing balance</b>	723.02	723.02
<b>D General reserve</b>		
Opening balance	15,653.24	15,653.24
Change during the year	-	-
<b>Closing balance</b>	15,653.24	15,653.24
<b>E Retained earnings</b>		
Represents the undistributed surplus of the Company.		
Opening balance	14,235.97	11,711.21
Less : Effect on adoption of Ind AS 116 lease (refer note 5)	(53.62)	
Add: Net profit for the current year	358.78	2,666.36
Add: Other comprehensive income	27.98	(3.47)
<b>Profit available for appropriation</b>	14,569.11	14,374.10
Less : Appropriations		
Dividend paid (refer note below)	(116.51)	(114.58)
Corporate dividend tax	(23.95)	(23.55)
<b>Closing balance</b>	14,428.65	14,235.97
<b>Total</b>	31,796.32	31,603.64

Note: Distribution made and proposed



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash dividends on equity shares declared and paid:</b>		
- Final dividend during the year ended on 31 March 2020: Re. 1 per share (31 March 2019: Re. 1 per share)	(116.51)	(114.58)
- DDT on final dividend	(23.95)	(23.55)
	<u>(140.46)</u>	<u>(138.13)</u>
<b>Proposed dividends on Equity shares:</b>		
- Proposed dividend for the year ended on 31 March 2020: Nil (31 March 2019: Re. 1 per share)	-	(116.51)
- DDT on proposed dividend	-	(23.95)
	<u>-</u>	<u>(140.46)</u>

### Nature and purpose of other reserves

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

**Capital redemption reserve:** created in accordance with provision of the Act for the buy back of equity shares from the market. The Company had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Company. This reserve were transferred to the company on account of demerger.

**Securities premium reserve:** represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

**General reserve:** the Company has transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

## 20 Borrowings (non-current)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A. Term loans (secured)</b>		
<b>Rupee loan</b>		
From banks (refer note (i) and (ii) below)	21,469.80	21,294.93
From non bank financial Institution (refer note (i) and (iii) below)	376.00	419.40
	<u>21,845.80</u>	<u>21,714.33</u>
Less: current maturities of non-current borrowings (disclosed under note 27 - other current financial liabilities) (refer note 51)	(499.75)	(651.58)
	<u>21,346.05</u>	<u>21,062.75</u>
<b>B. Preference Share Capital</b>		
9% non convertible & non cumulative preference share capital (refer note (i) and (iv) below)	650.00	650.00
<b>Total</b>	<u>21,996.05</u>	<u>21,712.75</u>

### Notes :

(i) Particulars	As at March 31, 2020	As at March 31, 2019
<b>From banks</b>		
Yes Bank Loan (contractual interest rate-9.40% to 9.75%)	22,506.54	22,497.48
Yes Bank-Vehicle Loan (contractual interest Rate- 8.85% to 9.50%)	145.05	39.73
<b>From non bank financial Institution</b>		
PTC India Limited (contractual interest Rate- 11.75% to 12.90%)	376.00	413.20
Kotak Mahindra Prime Ltd-Vehicle Loan (contractual interest Rate- 9.97%)	-	6.20
<b>Total</b>	<u>23,027.59</u>	<u>22,956.61</u>
Less: Adjustment of ancillary borrowing cost	(1,181.79)	(1,242.28)
<b>Net Borrowings from Banks &amp; NBFC</b>	<u>21,845.80</u>	<u>21,714.33</u>
<b>Preference Share Capital</b>		
9% Non Convertible & Non Cumulative Preference share capital	650.00	650.00
<b>Net Borrowings</b>	<u>22,495.80</u>	<u>22,364.33</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### (ii) Term Loan from banks:

- (a) In April 2016, the Company had entered into facility arrangement with Yes Bank Limited (YBL) for its banking and borrowing facilities (Facility 1) and in July 2018 has also availed a new lease rent discounting (LRD) facility of Rs 3500 lakhs (Facility 2). Facility 1 shall be repayable in 44 structured quarterly installments after moratorium period of 36 months from the date of first disbursement and Facility 2 in 180 structured monthly installments.

The above borrowing is secured as under:

1. Exclusive charge on the immovable properties i.e. Land & Building (both present & future) of Hotel Hyatt Regency, Mumbai.
  2. Exclusive charge on current assets & movable fixed assets (both present & future) of Hotel Hyatt Regency, Mumbai.
  3. Personal guarantee of Mr. Sushil Gupta to remain valid during the tenor of YBL Loan facility.
  4. Negative lien over license rights of office building at Aerocity licensed from Aria Hotels & Consultancy Services Private Limited and sub licensed to Michael & Susan Dell Foundation.
  5. Exclusive charge on lease rental receipts.
- (b) The Company has availed vehicle loans from Yes Bank in November 2016 and December 2019 which are secured by hypothecation of vehicles and are repayable in 60 equal monthly installments each.

### (iii) Term Loan from Non bank financial Institution:

- (a) Term Loan from PTC India Limited for 1 MW (AC)/1.23 MW (DC) Solar Project based on poly crystalline PV (Photo-Voltaic) cell technology in Satara District, Maharastra under Maharastra Open Access Policy is repayable by 162 equal monthly installments upto June, 2030 which is secured by way of exclusive first charge by way of:

1. Mortgage over all Immovable properties and assets of the Project, both present and future.
2. Mortgage over all Project's movable properties and all other assets (including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable assets of the Project) of the Project, both present and future.
3. Mortgage over all book debts, operating cash flows, receivables, commissions, insurance proceeds of performance warranty, revenues of whatsoever nature and wherever arising of the Project, both present and future.
4. Assignment or creation of charge on all the rights, titles, interests, benefits, claims and demands whatsoever of
  - (i) Project Documents, duly acknowledged and consented to by the relevant counter parties to such Project Documents, as amended, varied or supplemented from time to time;
  - (ii) All Insurance Contracts (including Insurance Proceeds),
  - (iii) All Clearances
  - (iv) All letter of credit, guarantees and performance bond provided by any counter party for any contract related to the Project in favour of the Borrower
5. Assignment or creation of charge on all the letters of credit, the Trust and Retention Account (including the Debt Service Reserve Account and Permitted Investments) and other reserves and any other bank accounts of the Borrower wherever maintained for the Project, including in each case, all monies lying credited/deposited into such accounts.

### (iv) Preference Share Capital:

The company has also issued 9% Non Convertible & Non Cumulative Redeemable Preference shares in July 2018 which are redeemable within a period of 10 years from the date of allotment.

- (v) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 21 Other Non-current Financial liabilities

### Particulars

	As at March 31, 2020	As at March 31, 2019
Security deposits	159.57	167.67
	<u>159.57</u>	<u>167.67</u>

### Note

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 22 Non-current provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	311.00	358.23
Provision for compensated absences	30.07	103.97
<b>Total</b>	<b>341.07</b>	<b>462.20</b>

#### Note:

- (i) Refer note 44 for disclosures pertaining to Gratuity & other post employment benefits

### 23 Deferred tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred tax liabilities arising on account of</b>		
Property, plant and equipment	1,869.66	2,120.20
Right of use assets	725.16	-
	<b>2,594.82</b>	<b>2,120.20</b>
<b>Deferred tax assets arising on account of</b>		
Provision for employee benefits and other liabilities deductible on actual payment	190.58	211.84
Provision for doubtful debtors	5.06	2.42
Financial assets and financial liabilities at amortised cost (including lease liabilities and resulting balances on account of fairvalue adjustments at initial recognition)	860.87	135.84
	<b>1,056.51</b>	<b>350.10</b>
<b>Net Deferred tax liabilities (refer note below)</b>	<b>1,538.30</b>	<b>1,770.10</b>

#### Notes:

- (i) Refer note 38 for changes in deferred tax balances.

### 24 Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred income on discounting of security deposits	137.41	57.14
<b>Total</b>	<b>137.41</b>	<b>57.14</b>

### 25 Borrowings (current)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand - from banks on overdraft (secured)	1,535.52	1,028.79
<b>Total</b>	<b>1,535.52</b>	<b>1,028.79</b>

#### Note:

- (i) Loan from yes bank is secured by way of exclusive charge on all existing and future current assets, movable fixed assets and immovable property of Hotel Hyatt Regency, Mumbai and by personal guarantee of Mr Sushil Kumar Gupta, Chairman and Managing Director and negative lien on over license rights of office building at aerocity licensed from Aria Hotel & Consultancy Services Private Limited and Sub Licensed to dell foundation.
- (ii) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 26 Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Due to:		
- micro, small and medium enterprises (refer note no. 41)	85.49	58.35
- creditors other than micro enterprises and small enterprises	446.86	467.94
<b>Total</b>	<b>532.35</b>	<b>526.29</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 27 Other current financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term borrowings (refer note 20)	499.75	651.58
Security deposits received	-	32.20
Unclaimed dividend	21.35	24.19
Interest accrued but not due	230.90	236.63
Payable for capital expenditure	9.52	26.69
Other payables	781.20	762.30
<b>Total</b>	<b>1,542.72</b>	<b>1,733.59</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 28 Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advances from customers	250.47	166.44
Statutory dues	111.23	344.17
Deferred income on discounting of security deposits	17.95	18.19
Deferred government grant	95.12	81.98
<b>Total</b>	<b>474.77</b>	<b>610.78</b>

### 29 Provisions (current)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	256.77	202.17
Provision for compensated absences	99.11	12.54
Provision for tax (net of advance tax)	-	8.92
<b>Total</b>	<b>355.88</b>	<b>223.63</b>

**Note:**

- (i) Refer note 44 for disclosures pertaining to Gratuity & other post employment benefits

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 30 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Sale of products and services:</b>		
Rooms	8,401.52	9,152.78
Wines and liquor	724.37	786.08
Food, other beverages, smokes & banquets	3,463.41	3,785.87
Others	1,128.51	1,159.56
<b>Total</b>	<b>13,717.81</b>	<b>14,884.29</b>

#### A Changes in balances of contract liabilities during the year:

Description	March 31, 2020	March 31, 2019
<b>Opening balance of contract liabilities</b>	166.44	256.18
Addition in balance of contract liabilities for current year	250.47	166.44
Amount of revenue recognised against opening contract liabilities	(166.44)	(256.18)
<b>Closing balance of contract liabilities</b>	<b>250.47</b>	<b>166.44</b>

#### B Assets and liabilities related to contracts with customers

Description	March 31, 2020	March 31, 2019
<b>Contract liabilities</b>		
Advance from customers	250.47	166.44
<b>Contract assets</b>	<b>-</b>	<b>-</b>

### 31 Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Fair value gain on assets classified at fair value through profit and loss	-	289.60
Rental income (including unwinding of security deposit)	392.86	396.56
Export incentive income	200.96	345.14
Miscellaneous income	-	0.13
<b>Total</b>	<b>593.82</b>	<b>1,031.43</b>

### 32 Cost of materials consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Wines &amp; liquor</b>		
Opening stock	99.93	137.46
Add : Purchases	243.25	258.37
	<b>343.18</b>	<b>395.83</b>
Less : Closing stock	91.51	99.93
	<b>251.67</b>	<b>295.90</b>
<b>Food, beverages and smokes</b>		
Opening stock	24.10	19.17
Add:- Purchases	914.98	1,025.19
	<b>939.08</b>	<b>1,044.36</b>
Less:- Closing stock	29.04	24.10
	<b>910.04</b>	<b>1,020.26</b>
<b>Total consumption of food, beverages and others</b>	<b>1,161.70</b>	<b>1,316.16</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 33 Employee benefits expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages, & allowances	3,050.83	2,800.71
Gratuity	94.03	91.73
Contribution to provident and other funds	199.97	165.47
Staff welfare expenses	291.68	325.52
<b>Total</b>	<b>3,636.51</b>	<b>3,383.43</b>

**Note:**

(i) Refer note 44 for disclosures pertaining to Gratuity & other post employment benefits

### 34 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of linen, room, catering and other supplies/services	310.10	333.76
Operating equipments and supplies	52.10	83.18
Power & fuel	1,054.46	989.52
Contract services	666.97	654.68
Repairs and maintenance:		
- Buildings	186.70	272.97
- Plant and machinery	288.58	291.35
- Others	369.10	407.67
Rent	5.09	79.05
Rates and taxes	465.07	519.63
Insurance	55.55	41.99
Directors' sitting fee	10.60	8.80
Legal and professional expenses (including payment to auditors)*	251.08	286.97
Stationery and printing	19.78	8.83
Travelling and conveyance	363.05	395.23
Communication expenses	45.72	84.62
Operating and royalty fee	598.03	671.66
Advertisement and publicity	268.09	335.93
Commission and brokerage	511.41	493.51
Corporate social responsibility expense	10.35	-
Advance written off	-	105.00
Provision for doubtful debts/advances(net)	11.82	8.30
Loss on fixed assets sold/discarded (net)	1.93	30.89
Recruitment & training	33.37	36.75
Miscellaneous	81.37	73.70
<b>Total</b>	<b>5,660.32</b>	<b>6,213.99</b>

**Note:**

Payment to auditors \*

**As auditor:**

- Statutory audit fee	37.00	19.00
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**In other capacity:**

- Other services	-	3.53
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- Reimbursement of expenses	3.44	1.98
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<b>Total</b>	<b>40.44</b>	<b>24.51</b>
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# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 35 Finance Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Dividend / gain on sale of mutual funds	-	12.89
Interest income	13.40	7.73
Finance income on security deposits	12.88	6.20
<b>Total</b>	<b>26.28</b>	<b>26.82</b>

### 36 Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on:		
Term loans	2,376.26	2,285.51
Vehicle loans	6.22	5.58
Cash credit facility	74.15	91.75
Preference shares classified as debt	63.27	50.05
Unwinding of discount on financial Liabilities measured at amortised cost	15.66	17.59
Interest on lease liabilities	40.07	-
Interest on income tax	19.81	3.98
Other borrowing costs	2.18	47.03
Bank charges	105.00	123.88
<b>Total</b>	<b>2,702.62</b>	<b>2,625.37</b>

### 37 Depreciation and amortisation

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on tangible fixed assets	754.71	746.13
Amortisation of right-of-use assets	138.45	-
<b>Total</b>	<b>893.16</b>	<b>746.13</b>

### 38 Income tax

Particulars	As at March 31, 2020	As at March 31, 2019
<b>The income tax expense consists of the following :</b>		
<b>Current tax</b>		
Current tax expense for the current year	77.84	459.21
Income tax adjustments relating to earlier year	(0.09)	1.74
Minimum alternative tax (MAT) credit written off/(entitlement)	67.16	(38.90)
Deferred tax expense/(credit)	(220.09)	(1,430.95)
<b>Total income tax</b>	<b>(75.18)</b>	<b>(1,008.90)</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
<b>Profit before income taxes</b>	<b>283.60</b>	1,657.46
At Company's statutory income tax rate of 25.168% (March 31, 2019: 29.12%)	<b>71.38</b>	482.65
<b>Adjustments in respect of current income tax</b>		
Dividend income	-	(3.75)
Tax Impact of other expenses disallowed under Income Tax	<b>30.62</b>	(95.64)
Effect of change in tax rates	<b>(244.24)</b>	(381.92)
Reversal of tax on conversion of Investment in optionally convertible preference shares to equity shares	-	(1,011.98)
Income tax adjustments relating to earlier year	<b>(0.09)</b>	1.74
MAT credit entitlement written off	<b>67.16</b>	-
<b>Total</b>	<b>(75.18)</b>	(1,008.90)

### Reconciliation of deferred tax assets (net) for the year ended 31 March 2020 :-

Particulars	Opening deferred tax asset / (liability)	Adjustment on account of Ind AS 116 as at April 1, 2019	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recog- nized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>					
<b>Deferred tax liabilities arising out of:</b>					
Property, plant and equipment	2,120.20	-	(250.54)	-	1,869.66
Right of use assets	-	858.72	(133.56)	-	725.16
	<b>2,120.20</b>	<b>858.72</b>	<b>(384.10)</b>	-	<b>2,594.82</b>
<b>Deferred tax assets arising out of:</b>					
Provision for employee benefits and other liabilities deductible on actual payment	211.84	-	(10.95)	(10.31)	190.58
Provision for doubtful debtors	2.42	-	2.64	-	5.06
Financial assets and financial liabilities at amortised cost (including lease liabilities and resulting balances on account of fairvalue adjustments at initial recognition)	135.84	880.74	(155.72)	-	860.87
	<b>350.10</b>	<b>880.74</b>	<b>(164.02)</b>	<b>(10.31)</b>	<b>1,056.51</b>
<b>Net deferred assets/(liabilities)</b>	<b>(1,770.10)</b>	<b>22.03</b>	<b>220.08</b>	<b>(10.31)</b>	<b>(1,538.30)</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### Reconciliation of deferred tax assets (net) for the year ended 31 March 2019 :

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment	2,386.61	(266.41)	-	2,120.20
Fair value gain on investment classified at FVPL*	1,149.01	(1,149.01)	-	-
	<b>3,535.62</b>	<b>(1,415.42)</b>	<b>-</b>	<b>2,120.20</b>
<b>Deferred tax assets arising out of:</b>				
Provision for employee benefits and other liabilities deductible on actual payment	214.43	(4.02)	1.43	211.84
Provision for doubtful debtors	1.00	1.42	-	2.42
Financial assets and financial liabilities at amortised cost (including lease liabilities and resulting balances on account of fairvalue adjustments at initial recognition)	117.72	18.12	-	135.84
	<b>333.15</b>	<b>15.52</b>	<b>1.43</b>	<b>350.10</b>
<b>Net deferred assets/(liabilities)</b>	<b>(3,202.47)</b>	<b>1,430.94</b>	<b>1.43</b>	<b>(1,770.10)</b>

\* Deferred tax liability of Rs 1149.01 lacs as at March 31, 2018 recognised on account of fair value of optionally convertible preference shares (OCPS) issued by the subsidiary company "Aria Hotels and Consultancy Services Private Limited" had been reversed after the conversion of the OCPS into equity shares in the previous year.

### 39 Earning per share

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

	As at March 31, 2020	As at March 31, 2019
<b>Net profit for the year (in lakhs) for basic EPS and diluted EPS (A)</b>	<b>358.78</b>	2,666.36
<b>Weighted-average number of equity shares for basic EPS and diluted EPS (B)</b>	<b>11,651,210</b>	11,594,945
Basic EPS (Amount in ₹) (A/B)	<b>3.08</b>	23.00
Diluted EPS (Amount in ₹) (A/B)	<b>3.08</b>	23.00

### 40 Contingent liabilities and commitments

#### A Contingent liabilities (to the extent non provided for)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Disputed demands/show-cause notices under:</b>		
(i) Corporate guarantees issued on behalf of subsidiary ( refer Footnote (1) below)	-	503.46
(ii) Property tax demand ( refer Footnote (2) below)	<b>268.24</b>	268.50
(iii) Show cause Notice by Director of Revenue Intelligence (DRI) and contested by the company ( refer Footnote (3) below)	-	1,200.21
	<b>268.24</b>	1972.17

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### Footnotes:

- The Company executed corporate guarantees of ₹ 28.35 Crores for and on behalf of Aria Hotels and Consultancy Services Pvt. Ltd. (subsidiary of the Company) for import of capital Goods under EPCG Scheme in favour of DGFT or Custom Authorities, out of which Corporate Guarantee amounting to ₹ 28.35 Crores has been released and corporate guarantees amounting to ₹ Nil are pending as at March 31, 2020.
- The Company had received property tax demand of ₹ 570.87 lakhs from Mumbai Municipal Corporate ("MMC") based on capital value system which is retrospectively from April 01, 2010, out of which, the company had already booked and paid ₹ 302.63 lakhs in the books of accounts pertaining from Financial Year 2010-11 to 2014-15. The Hotels & Restaurant Association (Maharashtra) had filed a writ application in the High Court of Bombay against the new capital value system. Hon'ble High Court had passed an interim Order on February 24, 2014 directing all petitioners to pay municipal property tax at pre-amended rates plus 50% of the differential tax between ratable value system and capital value system. On April 24, 2019 the Hon'ble High Court issued a final order to strikedown certain capital value rules and directed MMC to re fix the capital value. Till such period interim order of the Hon'ble High Court. will continue to operate. The Hon'ble High Court order dated April 24, 2019 is challenged by MMC in the Supreme Court. As per record of proceedings dated November 22, 2019 of Supreme Court, the interim relief of Hon'ble high Court will continue to operate and will be advantage to everyone regardless of being petitioner to High Court or not.
- The company had received letter dated December 15, 2017 from Additional Director General of Foreign Trade (DGFT) advising the Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 19, 2017 from Directorate of Revenue Intelligence (DRI) seeking the refund of duty of ₹ 1200.21 lakhs towards the SFIS license availed, the Company has received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter was listed before the Division Bench on 13th & 20th March, 2019 wherein the learned counsel appearing for the respondents stated that the respondent shall withdraw the recovery notices impugned in listed petitions to await the judgment of the Supreme Court in M/s Cummins Technologies India Pvt. Ltd. v. Union of India and Ors.: SLP(C) No. 28830/2017. The Court further stated that the withdrawal of recovery notices are without prejudice to the rights and contentions of the respondents (Union of India & Ors) including the right to issue a fresh recovery notices, if any. In the light of above facts, since the recovery notice has been withdrawn and petition is disposed off, the case stand close as on date until fresh recovery notice is issued to the company.
- There are numerous interpretation issues relating to the Supreme Court judgement on provident fund dated February 28, 2019. The company implemented the same on a prospective basis. Any potential liability on the past year services will be provided after clarity emerges from EPFO.

### B Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	31.90	54.15

### 41 Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]

S. No.	Particulars	As at March 31, 2020		As at March 31, 2019	
		Principal	Interest	Principal	Interest
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	85.49	0.51	58.35	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	0.51	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act	-	-	-	-

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 42 Related party disclosures

A. As per Ind AS 24, the disclosure of transactions with related parties are as given below:

Subsidiary: Aria Hotels and Consultancy Services Private Limited

List of related parties with whom transactions have taken place during the current year and relationship:

- a) Key Management Personnel:
- Mr. Sushil Kumar Gupta (Chairman & Managing Director)
  - Mrs. Vinita Gupta (Non-Executive Director)
  - Mr. Sudhir Gupta (Executive Whole –Time Director)
  - Mr. Sandeep Gupta (Executive Whole –Time Director)
  - Mr. Raj Kumar Bhargava (Independent Director)
  - Mr. Lalit Bhasin (Independent - Director)
  - Mr. Surendra Singh Bhandari (Independent - Director)
  - Mr. Surinder Singh Kohli (Independent - Director)
  - Ms. Meeta Makhan (Independent - Director)
  - Mr. Rakesh Kumar Aggarwal (Chief Financial Officer)
  - Mr. Vivek Jain (Company Secretary)
- b) Relatives of Key Management personnel :
- Ms. Sukriti Gupta (Daughter of Mr. Sudhir Gupta, Executive Whole-Time Director)
  - Mr. Sidharth Aggarwal (Son of Mr. Rakesh Kumar Aggarwal, Chief Financial Officer)
- c) Entities over which Directors or their relatives can exercise significance influence.
- Bhasin & Co.
  - Aria International Limited

B. Transactions with Subsidiaries, Key Management Personnel, their relatives and Entities over which Directors and their relatives can exercise significance influence:

S. No.	Particulars	Subsidiary Company		Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence.	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
I)	Transactions made during the year								
1	Services availed during the year (Reimbursement of GST):								
	- Aria Hotels and Consultancy Services Private Limited*	75.11	75.11						
2	Legal & Professional :								
	- Bhasin and Co.					-	-	1.65	2.18
	- Sidharth Aggarwal					7.38	7.35		
	- Sukriti Gupta					6.00	6.00		
3	Finance Cost :								
	- Aria International Limited							-	2.08
4	Rent expense during the year:								
	- Aria Hotels and Consultancy Services Private Limited	-	9.84						
5	Rent expense on amortisation of security deposit:								
	- Aria Hotels and Consultancy Services Private Limited	-	65.39						

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	Subsidiary Company		Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence.	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
6	<b>Interest Expense on Lease Liability</b> - Aria Hotels and Consultancy Services Private Limited	20.26	-						
7	<b>Managerial remuneration/Salary:</b> Mr. Sushil Kumar Gupta# Mr. Sudhir Gupta# Mr. Sandeep Gupta# Mr. Rakesh Kumar Aggarwal# Mr. Vivek Jain#			249.46 153.68 182.02 67.50 37.31	166.18 139.75 139.75 63.06 34.82				
8	<b>Director Sitting Fee:</b> Mr. Raj Kumar Bhargava (Independent Director) Mr. Lalit Bhasin (Independent - Director) Mr. Surendra Singh Bhandari (Independent - Director) Mr. Surinder Singh Kohli (Independent - Director) Ms. Meeta Makhan (Independent - Director) Ms. Vinita Gupta ( Non executive non Independent - Director)			3.00 1.40 2.60 2.20 1.20 0.20	3.00 1.00 2.40 1.20 1.20 -				
9	<b>Commission:</b> Mr. Sushil Kumar Gupta Mr. Sudhir Gupta Mr. Sandeep Gupta Mr. Raj Kumar Bhargava (Independent Director) Mr. Lalit Bhasin (Independent - Director) Mr. Surendra Singh Bhandari (Independent - Director) Mr. Surinder Singh Kohli (Independent - Director) Ms. Meeta Makhan (Independent - Director)			15.10 15.10 15.10 3.02 3.02 3.02 3.02 3.02	- - - - - - - -				
10	<b>Investment classified as fair value through profit and loss:</b> - Aria Hotels and Consultancy Services Private Limited	-	289.60						
11	<b>Finance income on Security deposit:</b> - Aria Hotels and Consultancy Services Private Limited	12.88	6.20						
12	<b>Equity Shares allotment (including securities premium):</b> Mr. Sushil Kumar Gupta Mr. Sandeep Gupta M/s DSO Limited Mr. Sidharth Aggarwal			- - - -	250.00 150.00 - -			- - - -	147.79
						-	50.22		

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	Subsidiary Company		Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence.	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
13	<b>9% Non-Convertible Non Cumulative Redeemable Preference shares allotment</b>								
	Mr. Sushil Kumar Gupta			-	450.00				
	Mr. Rakesh Kumar Aggarwal jointly with Mrs. Sharda			-	50.00				
	Mrs. Vinita Gupta					-	125		
14	<b>Loan Taken:</b>								
	- Aria International Limited							-	190.00
15	<b>Loan repaid:</b>								
	- Aria International Limited							-	190.00
16	<b>Loan received back:</b>								
	- Aria Hotels and Consultancy Services Private Limited	-	1,500.00						
17	<b>Payment of lease liabilities:</b>								
	- Aria Hotels and Consultancy Services Private Limited	10.38	-						
18	<b>Interest expense on Preference share classified as debt:</b>								
	Mr. Sushil Kumar Gupta			43.80	28.96				
	Mr. Rakesh Kumar Aggarwal jointly with Mrs. Sharda			4.87	3.22				
	Mrs. Vinita Gupta			12.17	-	-	8.04		
II)	<b>Year end balances</b>								
1	<b>Outstanding receivable / recoverable:</b>								
	- Aria Hotels and Consultancy Services Private Limited - Security Deposit	119.90	107.54						
	- Aria Hotels and Consultancy Services Private Limited - Deferred lease expense	-	2,667.05						
	- Aria Hotels and Consultancy Services Private Limited - Loan recoverable	-	-						
2	<b>Outstanding Payable:</b>								
	- Bhasin & Company							0.81	0.13
	- Sukriti Gupta					0.45			
	- Aria Hotels and Consultancy Services Private Limited - Lease Liability	212.25	-						
3	<b>Investment in Equity:</b>								
	- Aria Hotels and Consultancy Services Private Limited	32,745.80	32,745.80						
4	<b>Particulars of Corporate Guarantee given</b>								
	Aria Hotels and Consultancy Services Private Limited	-	503.46						

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 43 Interest in subsidiaries

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

#### Subsidiary company:

Name of the Subsidiary	Principal Activity	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company		Quoted (Y/N)
			31-Mar-20	31-Mar-19	
Aria Hotels and Consultancy Services Private Limited	Development, design, finance, construction, operation and maintenance of upscale and Luxury hotel property	India	99.98%	99.98%	N

### 44 Employee benefits obligations

#### A. Defined benefit plan

##### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The weighted average duration of the defined benefit obligation as at March 31, 2020 is 18.37 years (March 31, 2019: 18.96 years)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

i. Reconciliation of present value of defined benefit obligation and the fair value of plan assets	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation as at the end of the year	567.77	560.40
Fair value of plan assets as at the end of the year	-	-
<b>Net liability position recognized in balance sheet</b>	<b>567.77</b>	<b>560.40</b>
<b>Current liability (Amount due within one year)</b>	<b>256.77</b>	<b>202.17</b>
<b>Non-Current liability (Amount due over one year)</b>	<b>311.00</b>	<b>358.23</b>
ii. Changes in defined benefit obligation	As at March 31, 2020	As at March 31, 2019
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>560.40</b>	<b>482.43</b>
Interest cost	42.98	37.63
Current service cost	51.05	54.10
Benefits paid	(48.37)	(18.66)
Actuarial (gain)/loss on obligation	(38.29)	4.90
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>567.77</b>	<b>560.40</b>
iii. Expense recognised in the statement of profit and loss consists of:	Year ended March 31, 2020	Year ended March 31, 2019
<b>Employee benefit expense</b>		
Current service cost	51.05	54.10
Net interest cost	42.98	37.63
	<b>94.03</b>	<b>91.73</b>
<b>Other comprehensive income</b>		
Actuarial (gain)/loss on arising from change in demographic assumption	(0.11)	-
Actuarial (gain)/loss on arising from change in financial assumption	(42.44)	5.42
Actuarial (gain)/loss on arising from experience adjustment	4.26	(0.52)
	<b>(38.29)</b>	<b>4.90</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

iv. Actuarial assumptions	As at	As at
	March 31, 2020	March 31, 2019
Discount rate	6.80%	7.67%
Future salary increase	5.00%	7.00%
<b>v. Demographic Assumption</b>		
Superannuation age	58 years	58 years
Mortality table	100% of IALM (2012-14)	100% of IALM (2006-08)
Formula used	Projected unit cost (PUC) method	Projected unit cost (PUC) method
Average remaining working life	24.12 years	25.25 years
<b>Ages</b>	<b>Withdrawal Rate(%)</b>	
Up to 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
vi. Sensitivity analysis for gratuity liability	As at	As at
	March 31, 2020	March 31, 2019
<b>Impact of the change in discount rate</b>		
a) Impact due to increase of 0.50%	(16.60)	(20.60)
b) Impact due to decrease of 0.50%	17.97	22.35
<b>Impact of the change in salary increase</b>		
a) Impact due to increase of 0.50%	81.39	22.38
b) Impact due to decrease of 0.50%	(61.26)	(20.81)
<b>vii Maturity profile of defined benefit obligation</b>		
Within the next 12 months (next annual reporting period)	256.77	202.17
Between 2 and 5 years	32.03	71.74
Beyond 5 years	278.98	286.49
<b>Total expected payments</b>	<b>567.78</b>	<b>560.40</b>

The average age at the end of the reporting period is 33.88 years (March 31, 2019: 32.75 years).

### B. Defined contribution plans

The Company's contribution to state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 45 Financial Instruments

#### A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at 31 March 2020	As at 31 March 2019
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments	11	1.81	3.57
<b>Financial assets measured at amortised cost:</b>			
Loans	15	0.25	0.97
Other financial assets	7 & 16	187.24	125.52
Trade receivables	12	655.24	722.90
Cash and cash equivalents	13	753.47	36.95
Other bank balances	14	275.35	24.19
<b>Total</b>		<b>1,873.36</b>	<b>914.10</b>
<b>Financial liabilities measured at amortised cost:</b>			
Borrowings	20 & 25	23,531.57	22,741.54
Lease Liabilities	5	393.75	-
Other financial liabilities	21 & 27	1,702.29	1,901.26
Trade payables	26	532.35	526.29
<b>Total</b>		<b>26,159.96</b>	<b>25,169.11</b>

Investment in subsidiaries and associates are measured at cost as per Ind AS 27, 'separate financial statements' and hence, not presented here.

#### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

**The categories used are as follows:**

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2020	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	11	1.81	-	-	1.81
<b>Financial assets measured at amortised cost:</b>					
Loans	15	-	0.25	-	0.25
Other financial assets	7 & 16	-	187.24	-	187.24
Trade receivables	12	-	655.24	-	655.24
Cash and cash equivalents	13	-	753.47	-	753.47
Other bank balances	14	-	275.35	-	275.35
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	20 & 25	-	23,531.57	-	23,531.57
Lease Liabilities	5	-	393.75	-	393.75
Other financial liabilities	21 & 27	-	1,702.29	-	1,702.29
Trade payables	26	-	532.35	-	532.35



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

As at 31 March 2019	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	11	3.57	-	-	3.57
<b>Financial assets measured at amortised cost:</b>					
Loans	15	-	0.97	-	0.97
Other financial assets	7 & 16	-	125.52	-	125.52
Trade receivables	12	-	722.90	-	722.90
Cash and cash equivalents	13	-	36.95	-	36.95
Other bank balances	14	-	24.19	-	24.19
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	20 & 25	-	22,741.54	-	22,741.54
Other financial liabilities	21 & 27	-	1,901.26	-	1,901.26
Trade payables	26	-	526.29	-	526.29

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Non-current investments, long-term loans and advances and non-current financial liabilities are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- (ii) The fair values of the Company's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2020 was assessed to be insignificant.
- (iii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

### C Financial risk management objectives and policies

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

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

#### Market risk

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2020.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions. The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

### Interest rate risk

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

### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowing	21,201.00	21,023.02
Fixed rate borrowing	795.05	689.73
<b>Total borrowings</b>	<b>21,996.05</b>	<b>21,712.75</b>

	Increase / Decrease in basis point	Effect on profit before tax
	INR lakhs	
<b>31-Mar-20</b>	<b>+50%</b>	<b>-106.00</b>
	<b>-50%</b>	<b>106.00</b>
<b>31-Mar-19</b>	<b>+50%</b>	<b>-105.12</b>
	<b>-50%</b>	<b>105.12</b>

### Foreign currency risk

The Company is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Foreign currency	Amount (` lakhs)	Foreign currency	Amount (` lakhs)
<b>Trade payables</b>				
USD	311,850	232.14	345,663.00	239.48
<b>Trade receivables</b>				
USD	22,245	16.56	-	-
	<b>334,095.00</b>	<b>248.70</b>	<b>345,663.00</b>	<b>239.48</b>

Foreign exchange risk sensitivity analysis has been performed on the foreign currency exposures in the Company's financial assets and financial liabilities at the reporting date, net of derivative contracts for hedging those exposures. Reasonably possible changes are based on an analysis of historic currency volatility, together with any relevant assumptions regarding near-term future volatility.

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

	Change in USD rate	Effect on profit before tax INR lakhs
31-Mar-20	+5%	-12.44
	-5%	12.44
31-Mar-19	+5%	-11.97
	-5%	11.97

### Credit risk

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

### Trade receivables

Customer credit risk is managed by company subject to the policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored for any expected default in repayment. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Company does not hold collateral as security.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts of the financial instruments.

### Liquidity risk

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

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

31 March 2020	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	4,399.87	17,878.10	18,143.81	40,421.77
Lease liabilities	79.89	199.71	2,087.45	2,367.05
Trade payables	532.35	-	-	532.35
Other financial liabilities	812.07	39.71	276.89	1,128.67
<b>Total</b>	<b>5,824.18</b>	<b>18,117.51</b>	<b>20,508.15</b>	<b>44,449.85</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

31 March 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	4,691.61	17,257.23	18,959.36	<b>40,908.20</b>
Trade payables	526.29	-	-	<b>526.29</b>
Other financial liabilities	1,082.01	167.67	-	<b>1,249.68</b>
<b>Total</b>	<b>6,299.91</b>	<b>17,424.90</b>	<b>18,959.36</b>	<b>42,684.17</b>

### 46 Capital management

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding liability	<b>29,007.39</b>	28,292.95
Less : Cash and Cash equivalents	<b>753.47</b>	36.95
Net outstanding liability (A)	<b>28,253.92</b>	28,256.00
Total net worth (B)	<b>32,961.44</b>	32,768.76
<b>Gearing ratio (A)/(A+B) (%)</b>	<b>46.15%</b>	46.30%

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

### 47 SEGMENT INFORMATION

#### Information regarding Primary Segment Reporting as per Ind AS-108

The Company is engaged in only one segment of Hotel business. The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these financial statements.

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

#### A Particulars of Corporate Guarantee given:

Name of Party	As at March 31, 2020	As at March 31, 2019	Nature of Guarantee	Purpose
Aria Hotels and Consultancy Services Private Limited	-	503.46	Corporate Guarantee	For Business Purpose

#### B Particulars of Investment made:

S. No.	Name of Investee	Opening Balance (₹ Lakhs)	Investment made (₹ Lakhs)	Investment converted into equity (₹ Lakhs)*	Outstanding Balance (₹ Lakhs)	Purpose
Investment in equity shares	Aria Hotels and Consultancy Services Private Limited	32,745.80	-	-	32,745.80	Long term Investment

# Pertains to accretion in the value of investment classified at fair value through profit and loss.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### C Particulars of Investment made:

Name of Party	Nature of Security	Purpose	As at March 31, 2020	As at March 31, 2019
Aria Hotels and Consultancy Services Private Limited	Security deposit paid for office space/ commercial space on Lease	For Business Purpose	119.90	107.54

49 Pursuant to taxation laws (Amendment) Ordinance, 2019 dated September 20, 2019, the Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 from the year ended March 31, 2020. Accordingly, the deferred tax liability as at March 31, 2019 has been remeasured and MAT credit available with the Company as at March 31, 2019 has been written off resulting in net increase in profit after tax by Rs. 177.08 lakhs for the year ended March 31, 2020.

50 The operations of the hotel are adversely impacted by way of reduction in occupancy in February and March 2020 due to travel restrictions and subsequent nationwide lockdown announced by Government of India due to outbreak of COVID-19 worldwide. The Company and its subsidiary are undertaking all necessary cost saving measures, rationalise resources and initiatives to uplift revenue and to conserve cash. In evaluating the impact of COVID-19, on its ability to continue as a going concern, the Company has made a detailed assessment of its liquidity position and believes that it has sufficient financing arrangements to fulfil its working capital requirements in addition to the funds expected to be generated from the operating activities. The Company and its subsidiary has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. Based on the current indicators of future economic conditions, the management expects to recover the carrying value of these assets. The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company and its subsidiary will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.

51. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 22, 2020 and in accordance therewith the company has opted for a moratorium of six months on the payment of all principal installments and interest pertaining to term loan availed from Yes Bank, falling due between March 1, 2020 and August 31, 2020. Accordingly, the liability classification has changed from current liability to non-current liability to the extent of amount to be repaid during the moratorium period and current liability has been decreased and non-current liability increased by accordingly.

52 Figures of the previous year have been regrouped and reclassified wherever necessary to make them comparable with the current year figures.

The accompanying notes are an integral part of financial statements

### As per our report of even date

#### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

#### ATUL SEKSARIA

Partner

Membership No. 086370

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

#### SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

#### SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

#### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

#### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad  
Dated : June 30, 2020

Place: New Delhi  
Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of Asian Hotels (West) Limited

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying consolidated Ind AS financial statements of Asian Hotels (West) Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary /, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2020, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Emphasis of Matter paragraph

We draw attention to Note 48 to the accompanying consolidated financial statements which describes the impact of COVID-19 pandemic on the Group's operations, future cash flows of the Group its consequential impact on the consolidated financial statements as assessed by the management. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditor of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Impairment assessment of property, plant &amp; equipment (PPE) and right to use assets (as described in Note 48 of the consolidated Ind AS financial statements)</b>	
<p>The spread of COVID-19 pandemic is expected to slow down business and leisure travel globally for the next few years. Accordingly, the management has performed an impairment assessment of Group's property, plant &amp; equipment and right to use assets by calculating their value in use.</p> <p>The processes and methodologies for assessing and determining the value in use are based on assumptions, that by their nature imply the use of the management's judgment, in particular with reference to forecast of future cash flows, basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.</p> <p>Considering the judgment required for estimating the cash flows and the assumptions used, this is considered as a key audit matter in our audit of the consolidated Ind AS financial statements.</p>	<p>Our audit procedures included, amongst others:</p> <ol style="list-style-type: none"><li>Our audit procedures included testing of relevant controls established by management for assessing whether any indicators of impairment exist and for preparation of discounted future cash flows.</li><li>We evaluated the appropriateness of methodology and key assumptions considered by management for calculating future cash flows</li><li>We involved our internal valuation specialist to review the appropriateness of assumptions, methodology and estimates considered by the management in calculation of discounted cash flows</li></ol>

# ASIAN HOTELS (WEST) LIMITED

Key audit matters	How our audit addressed the key audit matter
	<p>d. Performed sensitivity analysis around impact on future cash flows due to changes in key assumptions considered by management</p> <p>e. Verified the arithmetical accuracy of the future cash flow model and assessed the recoverability of PPE and right to use assets with regard to their value in use.</p>
<b>Recoverability of deferred tax assets (as described in note 38 of the consolidated Ind AS financial statements)</b>	
<p>As of March 31, 2020, the consolidated financial statements of the Company include deferred tax assets of Rs. 27.40 crores recorded by the subsidiary company in respect of its brought forward tax losses including unabsorbed depreciation to the extent it is probable that the subsidiary company will generate future taxable profits against which these tax losses can be utilized.</p> <p>We considered this to be a key audit matter because there is significant judgement required to be exercised when deciding whether to recognize a deferred tax asset for tax loss carry forwards as well as when assessing the recoverability of recognized deferred tax assets</p>	<p>Our audit procedures included, amongst others:</p> <p>a. Our audit procedures included the review of the relevant controls established by management and the process followed by the Group for forecasting taxable profit and for assessing the recoverability of the deferred tax assets.</p> <p>b. In relation to the recoverability of the deferred tax assets, we assessed the future taxable profits, key assumptions used, including their consistency with current year trends.</p> <p>c. We verified that the future cash flows considered for forecasting taxable profits are consistent with the future cash flows considered for calculating Value in Use of the property, plant &amp; equipment of the subsidiary company</p> <p>d. We assessed that the applicable tax rates were taken into account and assessed the duration of the tax loss carryforwards was considered appropriately and performed sensitivity analysis;</p> <p>e. We assessed the disclosures in respect of the deferred tax asset balances including those disclosures related to significant accounting judgements and estimates.</p>

We have determined that there are no other key audit matters to communicate in our report

## Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

# ASIAN HOTELS (WEST) LIMITED

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Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group of which we are the independent auditor and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditor. For the other entity included in the consolidated Ind AS financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Other Matter**

- (a) We did not audit the financial statements and other financial information, in respect of aforesaid subsidiary, whose Ind AS financial statements include total assets of Rs 90,224 lakhs as at March 31, 2020, and total revenues (including finance income) of Rs 30,457 lakhs and net cash outflows of Rs 100 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, joint ventures and joint operations and associates, is based solely on the report(s) of such other auditor.



# ASIAN HOTELS (WEST) LIMITED

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

## Report on Other Legal and Regulatory Requirements

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

- (a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company, incorporated in India, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditor of the subsidiary, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 40 to the consolidated Ind AS financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2020;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary, incorporated in India during the year ended March 31, 2020.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**Sd/-**

**per Atul Seksaria**

Partner

Membership Number: 086370

UDIN: 20086370AAAABT8458

Place of Signature: Faridabad

Date: June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

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

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

In conjunction with our audit of the consolidated financial statements of Asian Hotels (West) Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Asian Hotels (West) Limited (hereinafter referred to as the "Holding Company") and its one subsidiary company, which are companies incorporated in India, as of that date.

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

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

#### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

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

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

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

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

## Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to the subsidiary company which is company incorporated in India, is based on the corresponding report of the auditor of such subsidiary

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**Sd/-**

**per Atul Seksaria**

Partner

Membership Number: 086370

UDIN: 20086370AAAABT8458

Place of Signature: Faridabad

Date: June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(All amount in ₹ Lakhs, unless otherwise stated)

	Note	As at March 31, 2020	As at March 31, 2019
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2	79,622.89	84,721.07
(b) Capital work-in-progress	3	93.26	103.73
(c) Other intangibles assets	2	158.99	117.97
(d) Right-of-use assets	4	18,757.57	-
(e) Financial assets			
(i) Other financial assets	5	1,954.33	181.95
(f) Deferred tax assets (net)	6	2,740.21	3,012.87
(g) Non current tax assets (net)	7	1,662.76	1,153.91
(h) Other non current assets	8	408.36	10,383.36
		<b>105,398.37</b>	<b>99,674.86</b>
<b>(2) Current assets</b>			
(a) Inventories	9	803.36	869.11
(b) Financial assets			
(i) Investments	10	1.81	54.47
(ii) Trade receivables	11	1,420.30	2,016.42
(iii) Cash and cash equivalents	12	1,844.18	1,227.99
(iv) Bank balances other than (iii) above	13	5,654.45	5,058.16
(v) Loans	14	4.92	10.80
(vi) Other financial assets	15	499.91	227.53
(c) Other current assets	16	1,675.33	2,093.68
(d) Assets held for sale	17	10.00	-
		<b>11,914.26</b>	<b>11,558.16</b>
<b>TOTAL ASSETS</b>		<b>117,312.63</b>	<b>111,233.02</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	1,165.12	1,165.12
(b) Other equity	19	9,917.37	11,019.49
(c) Non controlling interest		2.80	2.85
		<b>11,085.29</b>	<b>12,187.46</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	73,489.67	76,911.77
(ii) Lease liabilities	4	18,194.40	-
(iii) Other financial liabilities	21	495.84	813.79
(b) Provisions	22	509.65	664.77
(c) Deferred tax liabilities (net)	23	1,683.63	1,647.93
(d) Other non current liabilities	24	543.87	9,486.68
		<b>94,917.06</b>	<b>89,524.94</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	25	2,206.19	1,028.79
(ii) Lease liabilities	4	1,246.07	-
(iii) Trade payables	26		
- outstanding dues of micro enterprises and small enterprise		117.12	85.73
- outstanding dues of creditors other than micro enterprises and small enterprises		2,875.07	3,370.16
(iv) Other financial liabilities	27	3,113.49	2,666.35
(b) Other liabilities	28	1,393.59	2,142.49
(c) Provisions	29	358.75	227.13
		<b>11,310.28</b>	<b>9,520.65</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>117,312.63</b>	<b>111,233.02</b>

Statement of corporate information and significant accounting policies 1

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

**FOR S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**ATUL SEKSARIA**

Partner

Membership No. 086370

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

**SUSHIL KUMAR GUPTA**

Chairman & Managing Director

DIN : 00006165

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No.: AAAPA3338D

**SANDEEP GUPTA**

Executive (Whole Time) Director

DIN : 00057942

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹ Lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>INCOME</b>			
I Revenue from operations	30	43,118.36	43,220.66
II Other income	31	1,021.93	2,470.14
<b>III Total income (I+II)</b>		<b>44,140.29</b>	<b>45,690.80</b>
<b>IV EXPENSES</b>			
Cost of consumption of food, beverages and others	32	4,520.23	4,562.50
Employee benefits expense	33	7,687.29	6,943.78
Other expenses	34	15,640.24	16,869.05
<b>Total expenses (IV)</b>		<b>27,847.76</b>	<b>28,375.33</b>
<b>V Profit before interest, depreciation, amortisation and tax (III-IV)</b>		<b>16,292.53</b>	<b>17,315.47</b>
Finance income (A)	35	(572.82)	(200.45)
Finance costs (B)	36	10,741.77	9,009.39
Depreciation and amortisation expense (C)	37	5,201.43	4,675.92
<b>VI Profit/(loss) before tax (V- A-B-C)</b>		<b>922.14</b>	<b>3,830.62</b>
<b>VII Tax expense</b>	38		
(1) Current tax		77.84	459.21
(2) Minimum alternate tax credit written off / (entitlement)		67.16	(38.90)
(3) Income tax adjustment related to earlier years		(0.09)	1.74
(4) Deferred tax		678.29	(4,036.29)
<b>Total tax expense (VII)</b>		<b>823.20</b>	<b>(3,614.24)</b>
<b>VIII Profit/(loss) for the year (VI-VII)</b>		<b>98.95</b>	<b>7,444.85</b>
<b>IX Other comprehensive income / (Loss)</b>			
Items that will not be reclassified to profit or loss:			
- Remeasurement gains/(losses) on defined benefit obligation (refer note 44)		75.69	2.49
- Income tax relating to items that will not be reclassified to profit or loss		(21.95)	(0.87)
<b>Total other comprehensive income (net of tax)</b>		<b>53.74</b>	<b>1.61</b>
<b>X Total comprehensive income for the year (VIII + IX)</b>		<b>152.69</b>	<b>7,446.46</b>
<b>Profit attributable to:</b>			
Owners of Asian Hotels (West) Limited		99.00	7,484.48
Non Controlling Interest		(0.06)	(39.63)
<b>Other Comprehensive income attributable to:</b>			
Owners of Asian Hotels (West) Limited		53.73	1.61
Non Controlling Interest		0.01	0.00
<b>Total Comprehensive income attributable to:</b>			
Owners of Asian Hotels (West) Limited		152.73	7,486.09
Non Controlling Interest		(0.05)	(39.63)
<b>Earning per equity share of face value of Re. 1 each</b>	39		
- Basic earnings per equity share (in ₹)		0.85	64.55
- Diluted earnings per equity share (in ₹)		0.85	64.55

Statement of corporate information and significant accounting policies 1

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

As per our report of even date

**FOR S.R. BATLIBOI & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**ATUL SEKSARIA**

Partner

Membership No. 086370

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

**Asian Hotels (West) Limited**

**SUSHIL KUMAR GUPTA**

Chairman & Managing Director

DIN : 00006165

**SANDEEP GUPTA**

Executive (Whole Time) Director

DIN : 00057942

**RAKESH KUMAR AGGARWAL**

Chief Financial Officer

PAN No.: AAAPA3338D

**VIVEK JAIN**

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹ Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Cash flow from operating activity</b>		
Net profit before tax (I)	922.15	3,830.62
Adjustment for:		
Depreciation and amortisation	5,201.43	4,675.92
Loss on sale of property, plant and equipment	31.62	132.20
Provision for doubtful debts	70.22	8.30
Advance written off	-	105.00
Dividend income on investments	(1.32)	(12.89)
Rental Income (including amortisation of security deposit and fair value change adjustments)	(342.17)	(356.10)
Interest income	(571.50)	(182.26)
Finance and other costs (including fair value change adjustments)	10,741.77	9,009.39
Loss on extinguishment of financial liabilities	8.45	-
Amortisation of licensee fees on security deposit paid	-	223.72
EPCG licensee utilised for purchase of consumables	8.65	1.50
Government grant	(51.19)	(811.49)
<b>Total (II)</b>	<b>15,095.96</b>	<b>12,793.29</b>
<b>Operating profit before working capital charges (I+II)</b>	<b>16,018.11</b>	<b>16,623.91</b>
Adjustments for:		
(Increase)/Decrease in inventories	65.75	(179.69)
(Increase)/Decrease in trade receivables	525.90	179.05
(Increase)/Decrease in financial assets and other assets	152.67	(358.09)
Increase/(Decrease) in trade payables	(463.70)	793.84
Increase/(Decrease) in financial liabilities, other liabilities and provisions	(418.81)	641.44
	<b>(138.19)</b>	<b>1,076.55</b>
<b>Cash generated from operations</b>	<b>15,879.92</b>	<b>17,700.46</b>
Direct taxes paid (Net)	(662.68)	(791.09)
<b>Net cash generated from Operating Activities (A)</b>	<b>15,217.24</b>	<b>16,909.37</b>
<b>Cash flow from investing activity</b>		
Purchase of property, plant and equipment	(2,116.43)	(984.70)
Sale of property, plant and equipment	12.15	125.14
Acquisition of stake in subsidiary from non-controlling shareholder	-	(9,239.94)
Purchase of mutual funds		
Proceeds from redemption of mutual funds	52.22	785.57
Proceeds from sale of investments in shares	1.76	-
Investment in fixed deposits (net)	(599.13)	(3,935.65)
Interest received	324.47	159.50
<b>Net Cash used in Investing Activities (B)</b>	<b>(2,324.96)</b>	<b>(13,090.08)</b>
<b>Cash flow from financing activity</b>		
Proceeds from long term borrowings	17,144.24	3,130.00
Repayment of long term borrowings	(20,767.15)	(2,020.43)
Principal elements of lease liabilities paid	(44.38)	-
Net proceeds from short term borrowings	1,174.90	867.17
Proceeds from issue of equity shares	-	597.95
Proceeds from issue of 9% Non Convertible & Non Cumulative Preference share capital	-	650.00
Finance and other cost paid	(9,572.68)	(8,709.31)
Dividend paid	(140.46)	(138.13)
Interest Payment on preference shares classified as debt	(70.53)	-
<b>Net Cash used in Financing activities (C)</b>	<b>(12,276.09)</b>	<b>(5,622.75)</b>
<b>Net Increase in Cash and cash equivalents [A+B+C]</b>	<b>616.19</b>	<b>(1,803.47)</b>
Cash and cash equivalent at the beginning of the year	1,227.99	3,031.46
Cash and cash equivalent at the end of the year	1,844.18	1,227.99

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

As per our report of even date

FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

ATUL SEKSARIA

Partner

Membership No. 086370

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

SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### A. Share capital:

	Equity Shares	
	No.	INR lakhs
Balance as at April 1, 2018	1,14,58,303	1,145.83
Shares issued during the year	1,92,907	19.29
Balance as at March 31, 2019	1,16,51,210	1,165.12
Shares issued during the year	-	-
<b>Closing balance as at March 31, 2020</b>	<b>1,16,51,210</b>	<b>1,165.12</b>

### B. Other equity

Particulars	Reserves and Surplus					Total	Non-controlling interest
	Retained earnings	General reserve	Capital reserve	Securities premium account	Capital redemption reserve		
Balance as at April 1, 2018	(8,432.06)	15,653.24	3,033.68	144.36	990.00	11,389.22	986.05
Loss for the year	7,484.48	-	-	-	-	7,484.48	(39.63)
Other comprehensive income for the year (net of tax)	1.61	-	-	-	-	1.61	-
Adjustment on acquisition of stake from Non-controlling interest	(8,296.35)	-	-	-	-	(8,296.35)	(943.57)
Premium received pursuant to issue of shares	-	-	-	578.66	-	578.66	-
<b>Transaction with owners in their capacity as owners:</b>							
Dividend	(114.58)	-	-	-	-	(114.58)	-
Tax on dividend	(23.55)	-	-	-	-	(23.55)	-
<b>Balance as at March 31, 2019</b>	<b>(9,380.45)</b>	<b>15,653.24</b>	<b>3,033.68</b>	<b>723.02</b>	<b>990.00</b>	<b>11,019.49</b>	<b>2.85</b>
Profit for the year	99.00	-	-	-	-	99.00	(0.06)
Other comprehensive income for the year (net of tax)	53.73	-	-	-	-	53.73	0.01
Adjustment on acquisition of stake from Non-controlling interest	-	-	-	-	-	-	-
Impact on adoption of Ind AS 116	(1,114.39)	-	-	-	-	(1,114.39)	-
Premium received pursuant to issue of shares	-	-	-	-	-	-	-
<b>Transaction with owners in their capacity as owners:</b>							
Dividend	(116.51)	-	-	-	-	(116.51)	-
Tax on dividend	(23.95)	-	-	-	-	(23.95)	-
<b>Balance as at March 31, 2020</b>	<b>(10,482.57)</b>	<b>15,653.24</b>	<b>3,033.68</b>	<b>723.02</b>	<b>990.00</b>	<b>9,917.37</b>	<b>2.80</b>

Statement of corporate information and significant accounting policies 1

The summary of significant accounting policies and other explanatory information are an integral part of the financial statements.

### As per our report of even date

#### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

#### ATUL SEKSARIA

Partner

Membership No. 086370

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

#### SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

#### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

#### SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

#### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020

# ASIAN HOTELS (WEST) LIMITED

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 1(A) Corporate information

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

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

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

### 1(B) Significant accounting policies

#### 1.1 Basis of preparation

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

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

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

#### 1.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as on 31 March 2020. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those return through its power over the investee. Specifically, the Group controls an investee if and only if it has:

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

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

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

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

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

### **Change in the Group's ownership interests in existing subsidiary**

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

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

### **1.3 Summary of significant accounting policies**

#### **a. Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

#### **b. Foreign currencies**

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

#### **Transactions and balances**

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

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively)

### c. Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

- a) Disclosures for valuation methods, significant estimates and assumptions
- b) Quantitative disclosures of fair value measurement hierarchy (Note 45)
- c) Financial instruments (including those carried at amortised cost) (Note 45)

### d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group in exchange for transferring control of goods and services to a customer and the revenue can be reliably measured, regardless of when the payment is being made. Effective April 1, 2018, the Group has applied Ind AS 115 which replaced Ind AS 18 revenue recognition. Revenue is measured at the fair value of the consideration received or receivable and net of rebates, Value added taxes, Goods and service tax and loyalty reward points. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks..

#### Rendering of services

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

#### Rooms, food, beverages, banquet and other services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Sale of food and beverages are recognized at the point of serving these items to the guests. Revenue from other services is recognized as and when services are rendered. The group collects Goods and Service Tax and Value Added Tax (VAT) on behalf of guests, and therefore, these are not economic benefits flowing to the group, hence, these are excluded from revenue.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### **Income from other allied services**

In relation to laundry income, communication income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of services rendered.

### **Interest income**

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### **e. Government grants**

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

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

### **f. Taxes**

#### **Current income tax**

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

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

#### **Deferred tax**

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

### g. Property, plant and equipment

#### Recognition and Measurement

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

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

#### Depreciation

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

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

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

\*The subsidiary company has considered useful life of 52 years based on agreement with DIAL.

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

### h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Intangible asset consists of Computer software in these financial statements which has been amortized as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Computer software	Finite (6 years)	Amortised on a straight-line basis over the period*	Acquired

### i. Borrowing costs

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

### j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Group as a lessor

As a lessor, the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For finance leases, finance lease receivables are recognised at the commencement of the lease at the inception date at the present value of the minimum lease payments to be received from and consequentially the underlying leased asset is derecognised in the Statement of Financial Position with resulting difference is recognised as selling profit or loss in the Statement of Profit and Loss. Finance Income on unwinding of lease receivables are recognised in Other Income in the Statement of Profit or Loss.

For operating leases, rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### **k. Inventories**

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

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

### **l. Impairment of non-financial assets**

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

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

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

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

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

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

### **m. Provisions and Contingent Liabilities**

#### **General**

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

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### Contingent liabilities

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

### n. Retirement and other employee benefits

#### Defined Contribution

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

#### Defined Benefits

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

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

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

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

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

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

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

#### Other long term employees benefits

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

### o. Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### Subsequent measurement

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

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

### Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

### Debt instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

### Debt instrument at FVTPL

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

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

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

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND 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 makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

### Derecognition

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

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

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



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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

### **Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL

The group follows 'simplified approach' for recognition of impairment loss allowance on:

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

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

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition.

### **Financial liabilities**

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

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

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

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

#### **Subsequent measurement**

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

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

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

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

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

#### **Financial liabilities at amortised costs**

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Other financial liabilities that are measured at amortised cost include security deposits taken by the Group.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### **Financial guarantee contracts**

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

### **Derecognition**

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

### **Offsetting of financial instruments**

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

### **p. Cash and cash equivalents**

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

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

### **q. Cash dividend to equity holders**

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

### **r. Earnings per share**

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

## **1.4 Significant management judgements in applying accounting policies and estimation uncertainty**

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the group's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### *Significant management estimates*

**Allowance for doubtful debts** – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, dealer termination rates, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. The Group has also taken into account estimates of possible effect from the pandemic relating to COVID-19. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

**Defined benefit obligations (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### *Significant management judgments*

**Evaluation of indicators for impairment of non-financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Taxes** – Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Contingent liabilities** – The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

### **1.5 Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

2. Property, plant and equipment

Description	Land - freehold	Buildings	Furniture & fixture	Plant & machinery	Electrical installations and equipments	Office equipment	Vehicles	Computers	Total Tangible assets	Computer software	Total other Intangible assets
<b>Gross carrying value</b>											
As at April 1, 2018	9,709.20	58,386.04	8,096.84	14,883.91	6,436.42	1,145.51	402.52	261.30	99,321.74	276.14	276.14
Additions	-	415.48	279.55	345.39	58.29	15.01	40.00	6.65	1,160.33	7.82	7.82
Disposals / Adjustments	-	(1.68)	(63.11)	(336.32)	(74.04)	-	(58.32)	-	(533.47)	-	-
As at March 31, 2019	9,709.20	58,799.84	8,313.28	14,892.98	6,420.67	1,160.53	384.20	267.95	99,948.65	283.96	283.96
Impact on adoption of Ind AS 116	-	(2,178.31)	-	(378.04)	-	-	-	-	(2,556.35)	-	-
Additions	-	405.71	369.91	556.82	44.85	105.59	141.82	86.79	1,711.50	115.48	115.48
Disposals / Adjustments	-	-	(6.05)	(87.92)	-	(75.91)	(36.78)	(83.41)	(290.08)	(50.70)	(50.70)
<b>As at March 31, 2020</b>	<b>9,709.20</b>	<b>57,027.24</b>	<b>8,677.15</b>	<b>14,983.84</b>	<b>6,465.52</b>	<b>1,190.21</b>	<b>489.24</b>	<b>271.33</b>	<b>98,813.72</b>	<b>348.75</b>	<b>348.75</b>
<b>Accumulated depreciation</b>											
As at April 1, 2018	-	3,406.05	2,460.20	3,627.77	930.17	259.65	95.97	120.78	10,900.60	104.60	104.60
Charge for the year	-	1,706.69	1,286.96	941.76	446.41	122.86	53.38	56.53	4,614.54	61.38	61.38
Disposals	-	(0.60)	(59.89)	(198.58)	-	-	(28.54)	-	(287.61)	-	-
As at March 31, 2019	-	5,112.14	3,687.27	4,370.95	1,376.58	382.51	120.81	177.30	15,227.54	165.98	165.98
Impact on adoption of Ind AS 116	-	(249.45)	-	(218.48)	-	-	-	-	(467.93)	-	-
Charge for the year	-	1,663.31	1,294.36	978.04	469.51	137.17	54.71	76.28	4,673.39	68.60	68.60
Disposals	-	-	(5.72)	(78.83)	-	(46.99)	(36.49)	(74.15)	(242.19)	(44.82)	(44.82)
<b>As at March 31, 2020</b>	<b>-</b>	<b>6,525.99</b>	<b>4,975.91</b>	<b>5,051.68</b>	<b>1,846.09</b>	<b>472.69</b>	<b>139.02</b>	<b>179.43</b>	<b>19,190.81</b>	<b>189.76</b>	<b>189.76</b>
<b>Net carrying value</b>											
As at March 31, 2020	9,709.20	50,501.25	3,701.24	9,932.16	4,619.43	717.51	350.21	91.89	79,622.89	158.99	158.99
As at March 31, 2019	9,709.20	53,687.70	4,626.02	10,522.03	5,044.08	778.01	263.39	90.65	84,721.07	117.97	117.97

**Note:**

(i) Refer note 4 for impact on adoption of Ind AS 116.

3. Capital work-in-progress

**Movement of capital work in progress is as follows:**

Description	Amount
As at April 1, 2018	343.17
Add: Addition during the year	103.72
Less: Capitalisation during the year	343.16
As at March 31, 2019	103.73
Add: Addition during the year	53.13
Less: Capitalisation during the year	63.60
<b>As at March 31, 2020</b>	<b>93.26</b>

**Note:**

(i) Capital work in progress as at 31 March 2020 comprises expenditure for the fit-out of new Restaurant.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 4 Leases

#### A Right-of-use assets

Particulars	Land	Plant & machinery	Total
<b>Cost</b>			
<b>Balance as at April 01, 2019</b>	-	-	-
Adjustment on transition to Ind AS 116 "Leases"	18,999.77	146.45	19,146.22
Additions on account of new leases	-	70.79	70.79
<b>Balance as at March 31, 2020</b>	<b>18,999.77</b>	<b>217.24</b>	<b>19,217.01</b>
<b>Amortisation</b>			
<b>Balance as at April 01, 2019</b>	-	-	-
Charge for the year	404.41	55.04	459.45
<b>Balance as at March 31, 2020</b>	<b>404.41</b>	<b>55.04</b>	<b>459.45</b>
<b>Net Block</b>			
<b>Balance as at March 31, 2020</b>	<b>18,595.36</b>	<b>162.21</b>	<b>18,757.57</b>

The subsidiary company has entered into development agreement, dated 4 July 2009, with Delhi International Airport Private Limited ("DIAL") for acquiring development rights by way of a license over the specified area at the airport site for developing, designing, financing, constructing, owning, operating and maintaining an upscale and luxury hotel property, the subsidiary company has recognised Right-of-use assets and corresponding lease liability in relation to such agreement

The Group has also entered into lease arrangements for items of plant & machinery. With the exception of short-term leases, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

#### B Lease liabilities

Set out below are the carry amount of lease liabilities and movement during the period

Particulars	Amount
<b>Balance as at April 01, 2019</b>	-
Adjustment on transition to Ind AS 116 "Leases"	18,697.75
Add : Addition / modification of lease for the year	70.79
Add : Accretion of interest on lease liabilities for the year	1,859.22
Less: Lease payment for the year	(1,187.29)
<b>Balance as at March 31, 2020</b>	<b>19,440.47</b>

Lease liabilities are presented in the statement of financial position as follows:

	March 31, 2020
Non-current	18,194.40
Current	1,246.07

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities are disclosed in note 45.

#### Extension and termination options

The Group has considered option of extending the tenure by 30 years for the above land lease in lease period assessment since the Group can enforce its right to extend the lease beyond the initial lease period ending May 02, 2036 as the Group is likely to be benefited by exercising the such an extension option.

#### Lease payments not recognised as a liability

The annual increase in the Group's payments towards the above land lease agreement during the extended term are based on the movement in Consumer Price Index (Industrial workers) for the respective years of the extended term. Based on the principles of Ind AS 116, the Group has not estimated this future inflation but, instead, measures lease liabilities using lease payments that assume no inflation over the extended lease term. The impact of changes in the lease liabilities on account of such indexed lease payments will be made in the year of respective cashflow changes over the extended term beginning May 02, 2036.

Further, the Group has elected not to recognise a lease liability for lease on low value assets and short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

The expense relating to payments not included in the measurement of the lease liability is as follows:

	March 31, 2020
Short-term leases	4.31
Leases of low value assets	0.78

### C The following are amounts recognised in profit or loss with respect to leasing arrangements:

Particulars	March 31, 2020
Amortisation expense on Right-of-use assets	459.44
Interest expense on lease liabilities	1,859.22
Income on subleasing the Right-of-use assets and other contributory items of Property, plant and equipment	1,759.07
Rent expense	5.09
Interest income on finance lease receivable (subleased assets)	145.05
Other rental income	74.07
<b>Total</b>	<b>4,301.94</b>

Total cash outflow in respect of leases in the year amounts to ₹ 1208.05 lacs

### D Details about arrangements entered as a lessor

#### Finance Lease

The Group had entered into various sub licensing agreements for commercial space which are based on identical terms vis a vis its land lease arrangement with DIAL, therefore these sublicensing agreements are accounted for as finance leases on adoption of Ind AS 116 with respect to corresponding Right-of-use asset. The following table represents maturity analysis of future cashflows to be received from such agreements by the Group over the lease term ending on May 02, 2066:

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Not later than one year	78.21	-
(b) Later than one year and not later than five years	358.28	-
(c) Later than five years	15,156.98	-

#### Operating lease

The Group had entered into various sub licensing agreements other than the agreement mentioned above for commercial space for a specified period of time which is considerably shorter than the corresponding land lease arrangement with DIAL, therefore these sublicensing agreements are accounted for as operating leases as per Ind AS 116 with respect to corresponding Right-of-use asset. Further, the Group has leased out its roof top space to telecom operators for setting up of towers. The following table represents maturity analysis of future cashflows to be received from such agreements by the Group over the respective lease terms:

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Not later than one year	1,421.88	686.67
(b) Later than one year and not later than five years	6,176.86	692.12
(c) Later than five years	5,821.31	1,602.88

### E Adoption of Ind AS 116 Leases

The Company and its subsidiary company ("the Group") have adopted Ind AS 116, effective annual reporting period beginning 1 April 2019 and applied the standard to its leases, using modified retrospective approach, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019). Accordingly, the Group has not adjusted comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019. On application of the standard; as lessee, it has resulted in recognising (including reclassification from other assets) a Right-of-Use asset and a corresponding lease liability. Whereas as lessor, (where the sub leases are classified as finance lease) it has resulted in derecognising of the underlying Right of Use, property, plant and equipment and corresponding deferred income and recognition of finance lease receivable. As a result, the Company is recognising net Right-of-Use, as on 1 April 2019 amounting to ₹ 19,146.22 lakhs (including reclassification from other assets of ₹ 10,541.81 lakhs) and corresponding lease liability amounting to ₹ 18,697.75 lakhs by cumulatively adjusting the retained earnings net of taxes of ₹ 1,114.39 lakhs (net of deferred tax of ₹ 391.91 lakhs) in its consolidated financial statements.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

Consequently, in the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability. Operating lease, lease rentals are recognized on straight line basis over the lease period and lease rent receivable recognised. Where the Group is lessor and sub-leases are classified as finance lease, amounts due under these agreements are recorded as receivables as net investment in the leases. Finance income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Consequent to the application of the standard the effect on statement of profit & loss for the year ended march 31, 2020 are as follows:-

Particulars	Year ended March 31, 2020 comparable basis	Changes due to IND AS 116 increase / (decrease)	Year ended March 31, 2020 as reported
Revenue from operations	43,060.49	57.87	43,118.36
Other Income ( including finance income )	1,404.38	190.37	1,594.75
Other Expenses	17,051.87	(1,411.63)	15,640.24
Depreciation and amortisation	4,839.73	361.70	5,201.43
Finance Cost	8,882.55	1,859.22	10,741.77
<b>Profit before tax</b>	<b>1,483.19</b>	<b>(561.05)</b>	<b>922.14</b>

In applying Ind-AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous and thereby no impairment review of Right-of-use assets has been performed on the April 01, 2019 (transition date to Ind AS 116).
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- on transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months, the Group has applied the optional exemption to not recognise right-of use assets but to account for the lease expense on a straightline basis over the remaining lease term.
- on transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 was 9.70 % - 10.50% for all leases.
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The subsidiary company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the subsidiary company relied on its assessment made applying Ind-AS 17 and Appendix C of Ind-AS 17 Determining whether an Arrangement contains a Lease.

**F The following is a reconciliation of total operating lease commitments at March 31, 2019 (as disclosed in the notes to the financial statements for the year ended March 31, 2019) to the lease liabilities recognised at April 01, 2019:**

Particulars	Amount
Total operating lease commitments disclosed at March 31, 2019	30,562.63
Add: Lease considered in Ind AS 116 (including lease liability determined considering certain reasonable extension option)	83,918.39
Total lease obligation as on April 01, 2019	114,481.02
Discounted using incremental borrowing rate	18,697.75
<b>Total lease liabilities recognised under Ind AS 116 at April 01, 2019</b>	<b>18,697.75</b>

**5 Other financial assets (non-current)  
Unsecured, considered good**

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	185.23	181.95
Lease receivable	1,769.10	-
<b>Total</b>	<b>1,954.33</b>	<b>181.95</b>

**Note:**

- (i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 6 Deferred tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred tax liabilities arising on account of</b>		
Property, plant and equipment and intangible assets	4,743.53	5,982.95
Right of use assets	4,680.08	-
<b>Total deferred tax liabilities</b>	<b>9,423.61</b>	<b>5,982.95</b>
<b>Deferred tax assets arising on account of</b>		
Brought forward Business Loss and Unabsorbed depreciation (refer note (i) below)	7,058.25	8,799.76
Govt Grant received	15.94	15.97
Financial assets and financial liabilities at amortised cost	5,006.31	74.08
Provision for employee benefits and other liabilities deductible on actual payment	68.62	81.37
Provision for doubtful debts/advances	14.70	24.63
<b>Total deferred tax assets</b>	<b>12,163.82</b>	<b>8,995.82</b>
<b>Total deferred tax assets (net)</b>	<b>2,740.21</b>	<b>3,012.87</b>

#### Note:

The subsidiary company has created Deferred Tax Assets on bought forward business loss and unabsorbed depreciation to the extent management of the subsidiary Company is reasonably certain that the same would be available for adjustment against foreseeable taxable profit.

### 7 Income tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance income tax (net of provision for tax)	1,662.76	1,086.75
MAT credit entitlement (refer note 38 & 50)	-	67.16
<b>Total</b>	<b>1,662.76</b>	<b>1,153.91</b>

### 8 Other non-current assets (Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital advances	401.61	45.52
Prepaid expenses	6.75	19.75
Deferred lease expense on security deposit paid (refer note 4)	-	10,318.09
<b>Total</b>	<b>408.36</b>	<b>10,383.36</b>

### 9 Inventories (Valued at lower of cost and net realisable value)

Particulars	As at March 31, 2020	As at March 31, 2019
Wines & liquor	628.85	701.47
Food, beverages and smokes	76.65	63.61
Crockery, cutlery, silverware, linen etc.	55.60	72.59
General stores and spares	42.26	31.44
<b>Total</b>	<b>803.36</b>	<b>869.11</b>

### 10 Investments (Current)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Investments at fair value through profit and loss (FVTPL):</b>		
Investment in mutual funds		
5086.727 units of Union Liquid Fund Daily Dividend Reinvestment	-	50.90
Quoted equity shares:		
Investment in quoted equity shares as held for trading	1.81	3.57
<b>Total</b>	<b>1.81</b>	<b>54.47</b>
<b>Aggregate amount of Quoted investments</b>	<b>1.81</b>	<b>54.47</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 11 Trade receivables (Unsecured)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good	1,420.30	2,016.42
Trade receivables considered doubtful	78.52	8.30
<b>Total</b>	<b>1,498.82</b>	<b>2,024.72</b>
Less : Provision for doubtful debts	(78.52)	(8.30)
<b>Total</b>	<b>1,420.30</b>	<b>2,016.42</b>

**Note:**

(i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost.

### 12 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks in current accounts	1,807.43	538.27
Cheques on hand	-	19.52
Cash on hand	36.75	43.15
Deposits with original maturity of less than 3 months	-	220.62
Balance in Cash Credit a/c	-	406.43
<b>Total</b>	<b>1,844.18</b>	<b>1,227.99</b>

**Note:**

(i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost.

### 13 Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Dividend accounts (refer note (i) below)	21.35	24.19
Deposits with original maturity for more than 3 months but less than 12 months (refer note (iii) below)	5,632.20	5,033.07
Deposits with original maturity of more than 12 months	0.90	0.90
<b>Total</b>	<b>5,654.45</b>	<b>5,058.16</b>

**Notes:**

(i) Not available for use by the Group as these represent corresponding unpaid/unclaimed dividend liabilities.

(ii) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost.

(iii) Other bank balance include fixed deposit of ₹ 254 lakhs under lien from Yes bank against borrowings.

### 14 Loans (Current)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Loans to employees	4.92	10.80
<b>Total</b>	<b>4.92</b>	<b>10.80</b>

**Note:**

(i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

### 15 Other current financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Security deposits	44.93	39.18
Lease receivable	123.22	-
Interest accrued on fixed deposit	131.42	36.79
Other receivable	200.34	151.56
<b>Total</b>	<b>499.91</b>	<b>227.53</b>

**Note:**

(i) Refer note 45 for disclosure of fair values in respect of financial assets measured at amortised cost and assessment of expected credit losses.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 16 Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(Unsecured, considered good, unless otherwise stated)</b>		
Advance to suppliers	242.54	85.39
Balances with statutory authorities	1,013.82	1,164.19
Prepaid expenses	372.99	657.44
Advance recoverable in cash or kind	45.98	186.66
<b>Total</b>	<b>1,675.33</b>	<b>2,093.68</b>

### 17 Assets held for sale

Particulars	As at March 31, 2020	As at March 31, 2019
Office equipment	10.00	-
<b>Total assets held for sale</b>	<b>10.00</b>	<b>-</b>

### 18 Share capital

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A Authorised</b>		
2,50,00,000 (Previous year: 2,50,00,000) Equity shares of ₹ 10 each	2,500.00	2,500.00
1,50,00,000 (previous year: 1,50,00,000) Preference shares of ₹ 10 each	1,500.00	1,500.00
	<b>4,000.00</b>	<b>4,000.00</b>
<b>B Issued, subscribed &amp; fully paid up*</b>		
1,16,51,210 (Previous year: 1,16,51,210) equity shares of ₹ 10 each	1,165.12	1,165.12
<b>Total</b>	<b>1,165.12</b>	<b>1,165.12</b>

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

#### C Terms / rights attached to each class of shares:

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

Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees.

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

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

#### D Reconciliation of number of equity shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	1,16,51,202	1,165.12	1,14,58,303	1,145.83
Changes during the year			1,92,899	19.29
<b>Equity shares at the end of the year</b>	<b>1,16,51,202</b>	<b>1,165.12</b>	<b>1,16,51,202</b>	<b>1,165.12</b>

#### E Details of shareholders holding more than 5% of equity shares in the Group

Particulars	As at March 31, 2020		As at March 31, 2019	
	No of shares	% holding	No of shares	% holding
D.S.O. Limited	53,84,555	46.21%	53,84,555	46.21%
Mr. Sushil Kumar Gupta	8,78,816	7.54%	6,19,047	5.31%
Mr. Sandeep Gupta	6,44,934	5.54%		

As per records of the Group, including its register of shareholders/members.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 19 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A Capital reserve</b>		
Opening balance	3,033.68	3,033.68
Change during the year	-	-
<b>Closing balance</b>	<b>3,033.68</b>	<b>3,033.68</b>
<b>B Capital redemption reserve</b>		
Opening balance	990.00	990.00
Change during the year	-	-
<b>Closing balance</b>	<b>990.00</b>	<b>990.00</b>
<b>C Securities premium account</b>		
Opening balance	723.02	144.36
Change during the year	-	578.66
<b>Closing balance</b>	<b>723.02</b>	<b>723.02</b>
<b>D General reserve</b>		
Opening balance	15,653.24	15,653.24
Change during the year	-	-
<b>Closing balance</b>	<b>15,653.24</b>	<b>15,653.24</b>
<b>E Retained earnings</b>		
Represents the undistributed surplus of the Group.		
Opening balance	(9,380.45)	(8,432.06)
Add: Net profit/(loss) for the current year	99.00	7,484.48
Add: Effect of adoption of Ind AS 116 leases (refer note 4)	(1,114.39)	-
Less: Adjustment on acquisition of stake from Non-controlling interest	-	(8,296.35)
Add: Other comprehensive income/(loss)	53.74	1.61
<b>Profit available for appropriation</b>	<b>(10,342.09)</b>	<b>(9,242.32)</b>
Less : Appropriations		
Dividend paid (refer note below)	(116.51)	(114.58)
Dividend distribution tax	(23.95)	(23.55)
<b>Closing balance</b>	<b>(10,482.55)</b>	<b>(9,380.45)</b>
<b>Total</b>	<b>9,917.38</b>	<b>11,019.49</b>

#### Note- Distribution made and proposed

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash dividends on equity shares declared and paid:</b>		
- Final dividend for the year ended on 31 March 2020: Re. 1 per share (31 March 2019: Re. 1 per share)	(116.51)	(114.58)
- DDT on final dividend	(23.95)	(23.55)
	<b>(140.46)</b>	<b>(138.13)</b>
<b>Proposed dividends on Equity shares:</b>		
- Proposed dividend for the year ended on 31 March 2020: Re.Nil per share (31 March 2019: Re. 1 per share)	-	(116.51)
- DDT on proposed dividend	-	(23.95)
	<b>-</b>	<b>(140.46)</b>

#### Nature and purpose of other reserves

**Capital reserve:** The Group had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Group. This reserve were transferred to the Group on account of demerger.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

**Capital redemption reserve:** created in accordance with provision of the Act for the buy back of equity shares from the market. The Group had entered into a Scheme of Arrangement and Demerger with Asian Hotels Limited pursuant to which Hyatt Regency, Mumbai was transferred to and vested in the Group. This reserve were transferred to the Group on account of demerger.

**Securities premium reserve:** represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

**General reserve:** The Group has transferred a portion of the net profit before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

### 20 Borrowings (non-current)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>A. Term loans (secured)</b>		
<b>Rupee loan</b>		
From banks (refer note (i) and (ii) below)	73,714.98	73,975.86
From Non bank financial Institution (refer note (i) and (iii) below)	376.00	3,495.09
	<b>74,090.98</b>	<b>77,470.95</b>
Less: current maturities of non-current borrowings (disclosed under note 27 - other current financial liabilities) (refer note 49)	(1,251.31)	(1,209.18)
	<b>72,839.67</b>	<b>76,261.77</b>
<b>B. Preference Share Capital</b>		
9% Non Convertible & Non Cumulative Preference share capital (refer note (i) and (iv) below)	650.00	650.00
<b>Total</b>	<b>73,489.67</b>	<b>76,911.77</b>

#### Notes :

(i) Particulars	As at March 31, 2020	As at March 31, 2019
<b>From banks (contractual interest rate - 9.40% to 11.10%)</b>		
Yes Bank Loan *	22,506.54	22,497.48
Allahabad Bank **	-	6,032.77
Andhra Bank **	7,698.95	8,100.99
Canara Bank **	-	8,381.98
Corporation Bank **	8,271.81	8,721.37
Karnataka Bank **	3,334.13	3,508.20
Oriental Bank of Commerce **	6,165.42	6,488.20
Union Bank of India **	10,401.60	11,174.04
Union Bank of India-Lease Rental Discounting Loan(LRD) ***	330.27	552.88
IndusInd Bank Ltd. **	16,524.31	-
<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>From Non bank financial Institution (contractual interest rate - 11.75% to 12.90%)</b>		
PTC India Limited ##	376.00	413.20
Tourism Finance Corporation of India Limited **	-	3,075.69
<b>Vehicle Loans (contractual interest rate- 8.85 % to 10.20%) #</b>		
Kotak Mahindra Prime Ltd		6.20
Yes Bank Ltd	208.88	127.82
<b>Total</b>	<b>75,817.90</b>	<b>79,080.82</b>
Less: Adjustment of ancillary borrowing cost	(1,726.92)	(1,609.87)
<b>Net Borrowings from Banks &amp; NBFC</b>	<b>74,090.98</b>	<b>77,470.95</b>
<b>Preference Share Capital</b>		
9% Non Convertible & Non Cumulative Preference share capital (refer note (iv) below)	650.00	650.00
<b>Net Borrowings</b>	<b>74,740.98</b>	<b>78,120.95</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### (ii) Term Loan from banks:

\*In April 2016, the Holding company had entered into facility arrangement with Yes Bank Limited (YBL) for its banking and borrowing facilities (Facility 1) and in July 2018 has also availed a new lease rent discounting (LRD) facility of ₹ 3500 lakhs (Facility 2). Facility 1 shall be repayable in 44 structured quarterly installments after moratorium period of 36 months from the date of first disbursement and Facility 2 in 180 structured monthly installments.

The above borrowing is secured as under :-

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

### \*\*Repayment terms and details of Security

During the earlier years the Subsidiary company has availed a term loan from consortium of banks and a financial institution, with Union Bank of India as lead bank. As per the sanction terms of flexible structuring scheme with cut off date of 1st Oct, 2016, the term loan is repayable in 77 structured unequal quarterly installments and the first installment was payable from December 31, 2016.

Further an additional term loan amounting to ₹ 1,000 lakhs to meet working capital needs was availed by the Subsidiary Company from Union bank of India in an earlier year which is repayable in 16 structured quarterly installments post moratorium period of one year from the disbursement (i.e. May 12, 2017).

Furthermore, during the current year the Subsidiary company has paid ₹ 3,000 lakhs in two tranches to consortium lender towards voluntary premature repayment of loans.

### The above term loans are secured by way of first pari passu charge on the under mentioned:

- (a) A first mortgage and charge on all the Subsidiary Company immovable properties pertaining to the Project, both present and future (save and except Project Site) subject to first pari-pasu charge in favour of Union Bank of India for Lease Rental Discounting (LRD) loan as below and excluding charge on commercial space to be Sub Licensed on long term basis covering 45% of total commercial area being sub Licensed for a long period i.e. Non-cancellable tenure of > 15 years. Further during the previous year 4874 sq ft area has been further excluded from charge and proceed realised from long term sub license of 4874 sq ft was repaid to all consortium lenders towards proportionate reduction of debts).
- (b) A first charge on the movable fixed assets and pertaining to the Project, both present and future (save and except Current Assets);
- (c) A second charge on all Current Assets, including but not limited to stock, receivables in respect of the Project, both present and future provided that first charge may be created in favour of working capital lender with respect to working capital facilities;
- (d) A second charge over all bank accounts, excluding the Escrow Account, or any account in substitution thereof and any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto;
- (e) A first charge over the escrow account, (or any account in substitution thereof) except the charge created in favour of Union Bank for lease rental deposits (from 11,683 sq. ft of commercial space), including without limitation, any other accounts and all funds from time to time deposited therein and in all authorised investments or other securities representing all amounts credited thereto;
- (f) A first charge on all intangibles of the Subsidiary Company including but not limited to goodwill, rights, undertakings and uncalled capital, present and future;
- (g) An assignment by way of security:
  - (i) of the right, title and interest of the Subsidiary Company in, to and under the Project Documents;
  - (ii) of the right, title and interest of the Subsidiary Company in, to and under all the contracts, the approvals and Insurance Contracts; and

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

- (iii) of the right, title and interest of the Subsidiary Company in, to and under any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- (iv) assignment of all rights, titles, benefits arising out of the grant of license to the Subsidiary Company as per the Development Agreement between DIAL and the Subsidiary Company dated July 4, 2009.
- (h) Irrevocable and unconditional personal guarantee of Mr. Sushil Gupta, Chairman.

Further, IndusInd bank has taken over existing term loans in Subsidiary company from banks i.e Allahabad bank, Canara Bank & Tourism Finance Corporation of India Limited in current year. Repayment in structured instalment is in line with the existing consortium loan from various lenders.

The above borrowing is secured as under:

- (a) A first pari passu charge by way of mortgage of all the present and future immovable assets pertaining to the project (Hotel JW Marriott and Commercial Area) developed by the Subsidiary company. This is subject to the rights available to the sub-licensee as per the space agreements entered into by the Subsidiary company with sub-licensee for approx. 50% of the total commercial area of the building on long term basis.
- (b) A first charge on the movable fixed assets and pertaining to the project, both present and future.
- (c) A first charge by way of hypothecation on all the present and future Current Assets, including stock, receivables, bank accounts etc. in respect of the project.
- (d) Agreement to assign all rights, titles, benefits arising out of the grant of license to the Subsidiary company as per the development agreement between DIAL and the Subsidiary company dated July 04, 2009.

### \*\*\*Repayment terms and details of Security

The Subsidiary Company has also availed a Lease Rental Discounting (LRD) facility from Union Bank of India which is secured by first pari-passu charge over fixed assets of the Company and priority charge over lease rentals receivable by the Company and charge over escrow account from leases (from 11,683 sq. ft of commercial space) . LRD is repayable in 108 monthly instalments i.e. ₹ 18.50 lakhs every month, the first installment is payable from January 31, 2014.

### # Repayment terms and details of Security - Vehicle loans:

The Subsidiary company had availed loan from YES Bank Ltd Repayable in 60 equated monthly installments of ₹ 151,770/- and 107,135/- beginning from February 01, 2017 and March 15, 2018 respectively, and is secured against the vehicles purchased.

The Holding company had availed vehicle loan from Yes Bank in November 2016 and December 2019 which is secured by hypothecation of vehicles and is repayable in 60 equal monthly installments .

### (iii) Term Loan from Non bank financial Institution:

## Term Loan from PTC India Limited for 1 MW (AC)/1.23 MW (DC) Solar Project based on poly crystalline PV (Photo-Voltaic) cell technology in Satara District, Maharashtra under Maharashtra Open Access Policy is repayable by 162 equal monthly installments upto June, 2030 which is secured by way of exclusive first charge by way of:

- 1. Mortgage over all Immovable properties and assets of the Project, both present and future.
- 2. Mortgage over all Project's movable properties and all other assets (including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable assets of the Project) of the Project, both present and future.
- 3. Mortgage over all book debts, operating cash flows, receivables, commissions, insurance proceeds of performance warranty, revenues of whatsoever nature and wherever arising of the Project, both present and future.
- 4. Assignment or creation of charge on all the rights, titles, interests, benefits, claims and demands whatsoever of
  - (i) Project Documents, duly acknowledged and consented to by the relevant counter parties to such Project Documents, as amended, varied or supplemented from time to time;
  - (ii) All Insurance Contracts (including Insurance Proceeds),
  - (iii) All Clearances
  - (iv) All letter of credit, guarantees and performance bond provided by any counter party for any contract related to the Project in favour of the Borrower

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

5. Assignment or creation of charge on all the letters of credit, the Trust and Retention Account (including the Debt Service Reserve Account and Permitted Investments) and other reserves and any other bank accounts of the Borrower wherever maintained for the Project, including in each case, all monies lying credited/deposited into such accounts.

### (iv) Preference Share Capital:

The Holding company has also issued 9% Non Convertible & Non Cumulative Redeemable Preference shares in July 2018 which are redeemable within a period of 10 years from the date of allotment.

- (v) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 21 Other Non-current Financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	495.84	813.79
	<u>495.84</u>	<u>813.79</u>

### Note

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

## 22 Non-current provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	429.15	476.62
Provision for compensated absences	80.50	188.15
<b>Total</b>	<u>509.65</u>	<u>664.77</u>

### Note:

- (i) Refer note 44 for disclosure pertaining to Gratuity & other post employment benefits

## 23 Deferred tax liabilities (net)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred tax liabilities arising on account of</b>		
Property, plant and equipment	1,869.66	2,120.20
Right of use assets	40.83	
	<u>1,910.49</u>	<u>2,120.20</u>
<b>Deferred tax assets arising on account of</b>		
Provision for employee benefits and other liabilities deductible on actual payment	190.58	211.84
Provision for doubtful debtors	5.06	2.42
Financial assets and liabilities measured at amortised cost	31.22	258.01
	<u>226.86</u>	<u>472.27</u>
<b>Net Deferred tax liabilities (refer note below)</b>	<u>1,683.63</u>	<u>1,647.93</u>

### Notes:

- (i) Refer note 38 for changes in deferred tax balances.

## 24 Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred income on discounting of security deposits	480.52	9,435.49
Deferred Government Grant - EPCG	63.35	51.19
<b>Total</b>	<u>543.87</u>	<u>9,486.68</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 25 Borrowings (current)

#### Others (unsecured)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand - from banks on cash credit (secured)	2,206.19	1,028.79
<b>Total</b>	<b>2,206.19</b>	<b>1,028.79</b>

#### Note:

- (i) Loan from yes bank is secured by way of exclusive charge on all existing and future current assets, movable fixed assets and immovable property of Hotel Hyatt Regency, Mumbai and by personal gurantee of Mr Sushil Kumar Gupta, Chairman and Managing Director and negative lien on over license rights of office building at aerocity licensed from Aria Hotels & Consultancy Services Private Limited and Sub Licensed to dell foundation.
- (ii) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 26 Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Due to:		
- micro, small and medium enterprises (refer note no. 41)	117.12	85.73
- creditors other than micro enterprises and small enterprises	2,875.07	3,370.16
<b>Total</b>	<b>2,992.19</b>	<b>3,455.89</b>

#### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 27 Other current financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term borrowings (refer note no. 20)	1,251.31	1,209.18
Security deposits received	636.50	77.09
Unclaimed dividend	21.35	24.19
Interest accrued but not due	245.81	243.14
Payable for capital goods:		
- Retention money	34.83	33.95
- Others	39.12	54.94
Other payables	884.57	1,023.86
<b>Total</b>	<b>3,113.49</b>	<b>2,666.35</b>

#### Note:

- (i) Refer note 45 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profile.

### 28 Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Advances from customers	729.23	619.13
Statutory dues	509.87	1,131.10
Deferred income on discounting of security deposits	59.37	310.28
Deferred Government Grant - EPCG	95.12	81.98
<b>Total</b>	<b>1,393.59</b>	<b>2,142.49</b>



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 29 Provisions (current)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for gratuity	258.57	203.53
Provision for compensated absences	100.18	14.68
Provision for tax (net of advance tax)	-	8.92
<b>Total</b>	<b>358.75</b>	<b>227.13</b>

#### Note:

(i) Refer note 44 for disclosure pertaining to Gratuity & other post employment benefits

### 30 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Sale of products and services</b>		
Rooms	22,759.92	22,475.04
Wines and liquor	2,924.89	3,046.93
Food, other beverages, smokes & banquets	12,115.16	12,777.11
Sub License Fees (including maintenance fee)	1,440.29	1,221.01
Other operating revenue	3,878.10	3,700.57
<b>Total revenue from operations</b>	<b>43,118.36</b>	<b>43,220.66</b>

#### A Changes in balances of contract liabilities during the year:

Description	March 31, 2020	March 31, 2019
<b>Opening balance of contract liabilities</b>	619.13	666.20
Addition in balance of contract liabilities for current year	729.23	619.13
Amount of revenue recognised against opening contract liabilities	(619.13)	(666.20)
<b>Closing balance of contract liabilities</b>	<b>729.23</b>	<b>619.13</b>

#### B Assets and liabilities related to contracts with customers

Description	March 31, 2020	March 31, 2019
<b>Contract liabilities</b>		
Advance from customers	729.23	619.13
<b>Contract assets</b>	-	-

### 31 Other income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rental Income (including unwinding of security deposit)	392.85	726.63
Export incentives	628.04	1,733.07
Miscellaneous Income	1.04	10.44
<b>Total</b>	<b>1,021.93</b>	<b>2,470.14</b>

### 32 Cost of materials consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Wines &amp; liquor</b>		
Opening stock	701.47	176.42
Add : Purchases	1,021.37	1,240.53
	1,722.84	1,416.95
Less : Closing stock	(628.85)	701.47
	1,093.99	715.48
<b>Food, beverages and smokes</b>		
Opening stock	63.61	413.09
Add:- Purchases	3,439.28	3,497.54
	3,502.89	3,910.63
Less:- Closing stock	(76.65)	63.61
	3,426.24	3,847.02
<b>Total consumption of food, beverages and others</b>	<b>4,520.23</b>	<b>4,562.50</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 33 Employee benefits expense

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages, & allowances	6,383.02	5,699.96
Gratuity	140.60	140.65
Contribution to provident and other funds	388.94	332.61
Staff welfare expenses	774.73	770.56
<b>Total</b>	<b>7,687.29</b>	<b>6,943.78</b>

**Note:**

(i) Refer note 44 for disclosure pertaining to Gratuity & other post employment benefits

### 34 Other expenses

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of linen, room, catering and other supplies/services	878.38	958.34
Consumption of stores and spares	363.40	316.28
License fees (refer note 4)	-	1,288.23
Power & fuel	2,818.11	2,773.06
Contract services	1,532.12	1,380.11
Repairs and maintenance:		
- Buildings	582.79	566.79
- Plant and machinery	835.60	866.84
- Others	369.10	407.67
Rent	5.09	3.82
Rates and taxes	1,022.45	941.39
Insurance	140.54	117.43
Directors' sitting fee	26.30	19.60
Legal and professional expenses (including payment to auditors)*	807.75	881.52
Equipment hire charges	186.57	155.62
Stationery and printing	112.15	103.94
Plants and decorations	118.71	86.84
Membership and subscription	28.59	15.89
Travelling and conveyance	1,126.61	1,136.31
Communication expenses	139.31	175.76
Operating, marketing and royalty fee	2,405.73	2,499.99
Advertisement and publicity	665.26	649.37
Commission and brokerage	1,168.98	1,130.79
Corporate social responsibility expense	10.35	-
Advance written off	-	105.00
Provision for doubtful debts/advances(net)	70.22	8.30
Loss on fixed assets sold/discarded (net)	31.62	132.20
Recruitment & training	51.91	46.26
Gain/Loss on foreign exchange	42.56	16.69
Miscellaneous	100.04	85.01
<b>Total</b>	<b>15,640.24</b>	<b>16,869.05</b>

**Note:**

Payment to auditors \*

As auditor:

- Statutory audit fee	64.75	46.00
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In other capacity:

- Other services	-	3.53
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- Reimbursement of expenses	4.37	4.82
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<b>Total</b>	<b>69.12</b>	<b>54.35</b>
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# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 35 Finance Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Dividend / Gain on sale of mutual funds	1.32	12.89
Finance income on security deposit	7.35	5.30
Interest income on fixed deposit	419.10	182.26
Interest income on lease receivable	145.05	-
	<b>572.82</b>	<b>200.45</b>

### 36 Finance costs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on:		
Term loans	8,160.36	8,369.22
Vehicle loans	6.22	5.58
Cash credit facility	76.65	91.82
Lease liability	1,859.22	-
Preference shares classified as debt	63.27	50.05
Unwinding of discount on financial liabilities measured at amortised cost	43.79	75.85
Other borrowing costs	2.19	47.04
Loss on extinguishment of borrowings	147.34	-
Interest on income tax	19.81	3.98
Bank charges	362.92	365.85
<b>Total</b>	<b>10,741.77</b>	<b>9,009.39</b>

### 37 Depreciation and amortisation

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment	4,673.39	4,614.54
Amortisation of other intangible assets	68.60	61.38
Amortisation of Right-of-use assets	459.44	-
<b>Total</b>	<b>5,201.43</b>	<b>4,675.92</b>

### 38 Income tax

Particulars	As at March 31, 2020	As at March 31, 2019
<b>The income tax expense consists of the following :</b>		
<b>Current tax</b>		
Current tax expense for the current year	77.84	459.21
Income tax adjustments relating to earlier year	(0.09)	1.74
Minimum alternative tax (MAT) credit written off/(entitlement)	67.16	(38.90)
Deferred tax expense/(credit)	678.29	(4,036.29)
<b>Total income tax</b>	<b>823.20</b>	<b>(3,614.24)</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

Reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
<b>Profit before income taxes</b>	<b>922.14</b>	3,830.62
At Group's statutory income tax rate of 25.168% (31 March 2019: 29.12% for holding company & 31.20% for subsidiary company))	<b>232.09</b>	1,115.48
<b>Adjustments in respect of current income tax</b>		
Dividend income	-	(3.75)
Donation	-	1.38
Tax Impact of other expenses disallowed under Income Tax	<b>29.02</b>	(117.25)
Effect of Change in tax rates	<b>363.61</b>	(374.16)
Reversal of tax on conversion of Investment in Optionally convertible preference shares to equity shares	-	(479.66)
Income tax adjustments relating to earlier year	<b>(0.09)</b>	1.74
Minimum alternative tax (MAT) credit written off	<b>67.16</b>	-
Tax impact due to subsidiary's have different tax rate	-	43.76
Reversal of deferred tax asset due to reassessment of recoverability principles as per Ind AS 12	<b>131.42</b>	-
Deferred tax asset created on brought forward business loss & unabsorbed depreciation of earlier years .	-	(3,801.77)
<b>Total</b>	<b>823.20</b>	(3,614.24)

### Reconciliation of deferred tax assets (net) for the year ended 31 March 2020 :-

Particulars	Opening deferred tax asset / (liability)	Adjustment on account of Ind AS 116	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other compre- hensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>					
<b>Deferred tax liabilities arising out of:</b>					
Property, plant and equipment and intangible assets	5,982.95	(542.99)	(696.43)	-	4,743.53
Right of use assets	-	4,939.94	(259.86)	-	4,680.08
	<b>5,982.95</b>	<b>4,396.95</b>	<b>(956.29)</b>	-	<b>9,423.61</b>
<b>Deferred tax assets arising out of:</b>					
Brought forward losses and Unabsorbed depreciation	8,799.76	-	(1,741.51)	-	7,058.25
Govt Grant received	15.97	-	(0.03)	-	15.94
Financial assets and financial liabilities at amortised cost (including lease liabilities/receivables and resulting balances on account of fair value adjustments at initial recognition)	74.08	4,786.34	145.89	-	5,006.31
Provision for employee benefits and other liabilities deductible on actual payment	81.37	-	(1.11)	(11.65)	68.62
Provision for doubtful debts/advances	24.63	-	(9.93)	-	14.70
	<b>8,995.82</b>	<b>4,786.34</b>	<b>(1,606.69)</b>	<b>(11.65)</b>	<b>12,163.82</b>
<b>Net deferred assets/(liabilities)</b>	<b>3,012.87</b>	<b>389.38</b>	<b>(650.40)</b>	<b>(11.65)</b>	<b>2,740.21</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### Reconciliation of deferred tax liabilities (net) for the year ended 31 March 2020 :-

Particulars	Opening deferred tax asset / (liability)	Adjustment on account of Ind AS 116	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>					
<b>Deferred tax liabilities arising out of:</b>					
Property, plant and equipment	2,120.20	-	(250.54)	-	1,869.66
Right of use assets	-	42.65	(1.82)	-	40.83
	<b>2,120.20</b>	<b>42.65</b>	<b>(252.36)</b>	<b>-</b>	<b>1,910.49</b>
<b>Deferred tax assets arising out of:</b>					
Provision for employee benefits and other liabilities deductible on actual payment	211.84	-	(10.95)	(10.31)	190.58
Provision for doubtful debtors	2.42	-	2.64	-	5.06
Financial assets and financial liabilities at amortised cost (including lease liabilities and resulting balances on account of fairvalue adjustments at initial recognition)	258.01	45.17	(271.97)	-	31.22
	<b>472.27</b>	<b>45.17</b>	<b>(280.27)</b>	<b>(10.31)</b>	<b>226.86</b>
<b>Net deferred assets/(liabilities)</b>	<b>(1,647.93)</b>	<b>2.53</b>	<b>(27.91)</b>	<b>(10.31)</b>	<b>(1,683.63)</b>

### Reconciliation of deferred tax assets (net) for the year ended 31 March 2019 :

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to:</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment and intangible assets	5,600.55	382.40	-	5,982.95
	<b>5,600.55</b>	<b>382.40</b>	<b>-</b>	<b>5,982.95</b>
<b>Deferred tax liabilities arising out of:</b>				
Brought forward losses & unabsorbed depreciation	4,983.67	3,816.09	-	8,799.76
Govt Grant received	320.18	(304.20)	-	15.97
Financial assets and financial liabilities at amortised cost (including resulting balances on account of fair value adjustments at initial recognition)	216.88	(142.48)	-	74.08
Provision for employee benefits and other liabilities deductible on actual payment	66.89	16.78	(2.30)	81.37
Provision for doubtful debts/advances	12.93	11.70	-	24.63
	<b>5,600.55</b>	<b>3,397.89</b>	<b>(2.30)</b>	<b>8,995.82</b>
<b>Net deferred assets/(liabilities)</b>	<b>-</b>	<b>3,015.50</b>	<b>(2.30)</b>	<b>3,012.87</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### Reconciliation of deferred tax liabilities (net) for the year ended 31 March 2019 :-

Particulars	Opening deferred tax asset / (liability)	Income tax (expense) / credit recognized in profit or loss	Income tax (expense) / credit recognized in other comprehensive income	Closing deferred tax asset / (liability)
<b>Deferred tax assets/liabilities in relation to :</b>				
<b>Deferred tax liabilities arising out of:</b>				
Property, plant and equipment	2,386.61	(266.41)	-	2,120.20
Fair value gain on investment classified at FVTPL*	616.69	(616.69)	-	-
	<b>3,003.30</b>	<b>(883.10)</b>	<b>-</b>	<b>2,120.20</b>
<b>Deferred tax assets arising out of:</b>				
Provision for employee benefits and other liabilities deductible on actual payment	214.43	(4.02)	1.43	211.84
Provision for doubtful debtors	1.00	1.42	-	2.42
Financial assets and financial liabilities at amortised cost (including resulting balances on account of fair value adjustments at initial recognition)	117.72	140.29	-	258.01
	<b>333.15</b>	<b>137.69</b>	<b>1.43</b>	<b>472.27</b>
<b>Net deferred assets/(liabilities)</b>	<b>(2,670.15)</b>	<b>1,020.79</b>	<b>1.43</b>	<b>(1,647.93)</b>

The subsidiary company has restricted the recognition of deferred tax assets on unabsorbed depreciation and brought forward business losses to the extent the management is reasonably certain that the same would be available for adjustment against foreseeable taxable profit. The following table summarises the total unused tax losses and unabsorbed depreciation under the Income Tax Act, 1961, as at 31 March 2020:

Assessment year	Unused tax losses	Unabsorbed depreciation	Total
2013-14	614.42	-	614.42
2014-15	925.27	3,877.52	4,802.79
2015-16	5,404.26	8,364.95	13,769.21
2016-17	1,929.28	7,376.39	9,305.67
2017-18	-	5,518.32	5,518.32
2018-19	-	2,854.56	2,854.56
Total losses available for set off in future years	<b>8,873.23</b>	<b>27,991.74</b>	<b>36,864.97</b>
			25.17%
Total deferred tax assets on unused tax losses			9,278.18
Less: deferred tax assets recognised in the financial statements			(7,058.25)
<b>Net deferred tax assets not recognised as at 31 March 2020</b>			<b>2,219.93</b>

Tax losses can be carried forward for a period of eight years from the date of incurrence of such losses and unabsorbed depreciation can be carried forward indefinitely.

### 39 Earning per share

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
<b>Net profit/(loss) for the year (in lakhs) for basic EPS and diluted EPS (A)</b>	<b>99.00</b>	7,484.48
<b>Total shares outstanding in the beginning of the year (in numbers)</b>	11,651,202	11,458,303
Add: Weighted average number of shares issued during the year	-	136,642.80
<b>Weighted-average number of equity shares for basic EPS and diluted EPS (B)</b>	<b>11,651,202</b>	11,594,946
Basic EPS (Amount in ₹) (A/B)	0.85	64.55
Diluted EPS (Amount in ₹) (A/B)	0.85	64.55

### 40 Contingent liabilities and commitments

#### A Contingent liabilities (to the extent non provided for)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Disputed demands/show-cause notices under:-</b>		
(i) Property tax demand ( refer Footnote (1) below)	750.62	678.84
(ii) Show cause Notice by Director of Revenue Intelligence (DRI) and contested by the Group ( refer Footnote (2) below)	-	1,678.11
	<b>750.62</b>	2,356.95

#### Footnotes:

- The Holding Company had received property tax demand of ₹ 570.87 lakhs from Mumbai Municipal Corporate ("MMC") based on capital value system which is retrospectively from April 01, 2010, out of which, the Holding Company had already booked and paid ₹ 302.63 lakhs in the books of accounts pertaining from Financial Year 2010-11 to 2014-15. The Hotels & Restaurant Association (Maharashtra) had filed a writ application in the High Court of Bombay against the new capital value system.  
  
Hon'ble High Court had passed an interim Order on February 24, 2014 directing all petitioners to pay municipal property tax at pre-amended rates plus 50% of the differential tax between ratable value system and capital value system. On April 24, 2019 the Hon'ble High Court issued a final order to strikedown certain capital value rules and directed MMC to re fix the capital value. Till such period interim order of the Hon'ble High Court. will continue to operate.  
  
The Hon'ble High Court order dated April 24, 2019 is challenged by MMC in the Supreme Court. As per record of proceedings dated November 22, 2019 of Supreme Court, the interim relief of Hon'ble high Court will continue to operate and will be advantage to everyone regardless of being petitioner to High Court or not.  
  
During the earlier year, the subsidiary Company had received demand letter from South Delhi Municipal Corporation ("SDMC") for the property tax amount for financial year 2009-10 to 2013-14. As per the demand letter, the subsidiary Company had to pay property tax for hotel block and commercial block by levying property tax @ 20% and User factor ("UF") of 10. The subsidiary Company had challenged the said demand by filling an application with Hon'ble High Court of Delhi inter alia on ground of the jurisdiction of the SDMC and non provision of the infrastructural services by the SDMC. The Hon'ble High Court of Delhi, vide their interim order dated 23 March 2016 had instructed the subsidiary Company to pay the property tax by using the UF of 4 and the rate of tax @ 10% of the annual value for all years till the matters is concluded by the Court.  
  
Accordingly, the subsidiary Company has paid ₹ 490.40 lakhs as property tax to SDMC for a period from 2009-10 to 2019-20, computed in manner prescribed in the interim order of the Hon'ble High Court of Delhi. However, SDMC has been raising regular demand letters for the differential amount of the property tax computed at 20% of the annual value and UF 10 and the amount paid by the subsidiary Company. The management of subsidiary company, based on legal assessment, is confident that it has a favorable case and that the demand shall be withdrawn with the final order by the Hon'ble High Court of Delhi.
- The Holding company had received letter dated December 15, 2017 from Additional Director General of Foreign Trade (DGFT) advising the Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 19th, 2017 from Directorate of Revenue Intelligence (DRI) seeking the refund of duty of ₹ 1200.21 lakhs towards the SFIS license availed, the Holding Company has received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter was listed before the Division Bench on 13th & 20th March, 2019 wherein the learned counsel appearing for the respondents stated that the respondent shall withdraw the recovery notices impugned in listed petitions to await the judgment of the Supreme Court

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

in M/s Cummins Technologies India Pvt. Ltd. v. Union of India and Ors.: SLP(C) No. 28830/2017. The Court further stated that the withdrawal of recovery notices are without prejudice to the rights and contentions of the respondents (Union of India & Ors) including the right to issue a fresh recovery notices, if any.

The subsidiary company had received letter dated December 29, 2017 from Additional Director General of Foreign Trade (DGFT) advising the subsidiary Company to refund the Served from India Scheme (SFIS) benefit along with applicable interest. Against the show cause notice dated December 29th, 2017 from Additional Director General of Foreign Trade (DGFT) seeking the refund of duty of ₹ 477.90 lakhs towards the SFIS license availed, the subsidiary Company had received stay order from Hon'ble High Court of Delhi restraining the authorities from proceeding to take any steps to recover the amount till the next date of hearing. The matter was held for hearing on Feb 19, 2018 and April 24, 2018 along with other connected matters on same issue. On both the dates Hon'ble Division Bench did not hold the Court and the matter was listed before the Division Bench on 13th & 20th March, 2019 wherein the learned counsel appearing for the respondents stated that the respondent shall withdraw the recovery notices impugned in listed petitions to await the judgment of the Supreme Court in M/s Cummins Technologies India Pvt. Ltd. v. Union of India and Ors.: SLP(C) No. 28830/2017. The Court further stated that the withdrawal of recovery notices are without prejudice to the rights and contentions of the respondents (Union of India & Ors) including the right to issue a fresh recovery notices, if any.

In the light of above facts, since the recovery notice has been withdrawn and petition is disposed of, the case stand close as on date until fresh recovery notice is issued to the Holding Company & subsidiary company.

3. There are numerous interpretation issues relating to the Supreme Court judgement on provident fund dated February 28, 2019. The company implemented the same on a prospective basis. Any potential liability on the past year services will be provided after clarity emerges from EPFO.

### B Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	269.36	54.15

### 41 Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ("MSMED Act"):

S. No.	Particulars	As at March 31, 2020		As at March 31, 2019	
		Principal	Interest	Principal	Interest
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	117.12	0.51	85.73	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year			-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act			-	0.05
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year		0.51	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act			-	-



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 42 Related party disclosures

A. As per Ind AS 24, the disclosure of transactions with related parties are as given below:

List of related parties with whom transactions have taken place during the current year and relationship:

- a) Key Management Personnel:
- Mr. Sushil Kumar Gupta (Chairman & Managing Director)
  - Mr. Sudhir Gupta (Executive Whole –Time Director)
  - Mr. Sandeep Gupta (Executive Whole –Time Director)
  - Mr. Raj Kumar Bhargava (Independent Director)
  - Mr. Lalit Bhasin (Independent - Director)
  - Mr. Surendra Singh Bhandari (Independent - Director)
  - Mr. Surinder Singh Kohli (Independent - Director)
  - Ms. Meeta Makhan (Independent - Director)
  - Mr. Rakesh Kumar Aggarwal (Chief Financial Officer)
  - Mr. Vivek Jain (Company Secretary)
  - Ms. Vinita Gupta ( Non executive non Independent - Director) appointed on 23.12.2019
  - Ms Nupur Garg (Company Secretary of subsidiary company)
  - Mr Samir Agarwal (Chief Financial Officer of subsidiary company)
  - Dr. Tamali Sen Gupta (Independent - Director in subsidiary company)
- b) Relatives of Key Management personnel :
- Ms. Sukriti Gupta (Daughter of Mr. Sudhir Gupta, Executive Whole-Time Director)
  - Mr. Sidharth Aggarwal (Son of Mr. Rakesh Kumar Aggarwal, Chief Financial Officer)
- c) Entities over which Directors or their relatives can exercise significance influence.
- Bhasin & Co.
  - Aria International Limited
  - D.S.O Limited

B. Transactions with Subsidiaries, Key Management Personnel, their relatives and Entities over which Directors and their relatives can exercise significance influence:

S. No.	Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
I)	Transactions made during the year						
1	<b>Legal &amp; Professional :</b>						
	- Bhasin and Co.					1.65	2.18
	- Sidharth Aggarwal			27.70	21.96		
	- Sukriti Gupta			6.00	6.00		
2	<b>Finance Cost :</b>						
	- Aria International Limited					-	2.08
3	<b>Other Expense :</b>						
	- Aria International Limited					103.75	98.57
4	<b>Managerial remuneration/Salary:</b>						
	Mr. Sushil Kumar Gupta#	249.46	166.18				
	Mr. Sudhir Gupta#	153.68	139.75				
	Mr. Sandeep Gupta#	275.42	219.84				
	Mr. Rakesh Kumar Aggarwal#	67.50	63.06				
	Mr Samir Agarwal#	70.60	24.01				
	Mr. Vivek Jain#	37.31	34.82				
	Ms. Nupur Garg#	22.53	20.70				

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	Key Management Personnel		Relatives of Key Management Personnel		Entities over which Directors and their relatives can exercise significance influence	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
5	<b>Director Sitting Fee:</b>						
	Mr. Raj Kumar Bhargava (Independent Director)	7.50	6.00				
	Mr. Lalit Bhasin (Independent - Director)	1.40	1.00				
	Mr. Surendra Singh Bhandari (Independent - Director)	2.60	2.40				
	Mr. Surinder Singh Kohli (Independent - Director)	2.20	1.20				
	Ms. Meeta Makhan (Independent - Director)	1.20	1.20				
	Ms. Vinita Gupta ( Non executive non Independent - Director)	0.20	-				
	Mr. Rajesh Adhikary (Non Executive - Director in subsidiary company)	0.00	0.80				
	Mr. Rakesh Kumar Aggarwal (Non Executive - Director in subsidiary company)	3.10	1.40				
	Mr. Sudhir Gupta (Non Executive - Director in subsidiary company)	3.20	1.20				
	Mr. Sushil Gupta (Non Executive - Director in subsidiary company)	0.20	1.40				
	Dr. Tamali Sen Gupta (Independent - Director in subsidiary company)	4.70	3.00				
6	<b>Commission:</b>						
	Mr. Sushil Kumar Gupta	15.10	-				
	Mr. Sudhir Gupta	15.10	-				
	Mr. Sandeep Gupta	15.10	-				
	Mr. Raj Kumar Bhargava (Independent Director)	3.02	-				
	Mr. Lalit Bhasin (Independent - Director)	3.02	-				
	Mr. Surendra Singh Bhandari (Independent - Director)	3.02	-				
	Mr. Surinder Singh Kohli (Independent - Director)	3.02	-				
	Ms. Meeta Makhan (Independent - Director)	3.02	-				
7	<b>Equity Shares allotment (including securities premium):</b>						
	Mr. Sushil Kumar Gupta	-	250.00				
	Mr. Sandeep Gupta	-	150.00				
	M/s DSO Limited					-	147.79
	Mr. Sidharth Aggarwal			-	50.22		
8	<b>9% Non-Convertible Non Cumulative Redeemable Preference shares allotment</b>						
	Mr. Sushil Kumar Gupta	-	450.00				
	Mr. Rakesh Kumar Aggarwal jointly with Mrs. Sharda	-	50.00				
	Mrs. Vinita Gupta			-	125.00	-	
9	<b>Loan Taken:</b>						
	- Aria International Limited					-	190.00
10	<b>Loan repaid:</b>						
	- Aria International Limited					-	190.00
11	<b>Interest expense on Preference share classified as debt:</b>						
	Mr. Sushil Kumar Gupta	43.80	28.96				
	Mr. Rakesh Kumar Aggarwal jointly with Mrs. Sharda	4.87	3.22				
	Mrs. Vinita Gupta	12.17	-	-	8.04		
II)	<b>Year end balances</b>						
1	<b>Outstanding Payable:</b>						
	- Bhasin & Company					0.81	0.13
	-Sukriti Gupta			0.45	-		

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

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 43 Interest in subsidiaries

- (a) The consolidated financial statements of the Group includes subsidiaries listed in the table below:

#### Subsidiary company:

Name of the Subsidiary	Principal Activity	Method used to account for investments	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and Voting power held by the company		Quoted (Y/N)
				31-Mar-20	31-Mar-19	
Aria Hotels and Consultancy Services Private Limited	Development, design, finance, construction, operation and maintenance of upscale and Luxury hotel property	Line by line consolidation	India	99.98%	99.98%	N

- (b) Additional information pursuant to paragraph 2 of Division II of Schedule III of the Companies Act, 2013

	Net assets (total assets minus total liabilities)		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
<b>Parent</b>								
Asian Hotels (West) Limited	297.34%	32,961.44	362.59%	358.78	52.07%	27.98	253.30%	386.76
<b>Subsidiary- Indian</b>								
Aria Hotels And Consultancy Services Private Limited	105.65%	11,712.56	-277.55%	(274.64)	47.93%	25.76	-163.00%	(248.88)
Elimination	-303.00%	(33,588.71)	14.97%	14.81	0.00%	-	9.70%	14.81
<b>At 31 March 2020</b>	<b>100%</b>	<b>11,085.29</b>	<b>100%</b>	<b>98.95</b>	<b>100%</b>	<b>53.74</b>	<b>100%</b>	<b>152.69</b>

### 44 Employee benefits obligations

#### A. Defined benefit plan

##### Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

i. Reconciliation of present value of defined benefit obligation and the fair value of plan assets	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation as at the end of the year	687.72	680.15
Fair value of plan assets as at the end of the year	-	-
<b>Net liability position recognized in balance sheet</b>	<b>687.72</b>	<b>680.15</b>
<b>Current liability (Amount due within one year)</b>	<b>258.57</b>	<b>203.53</b>
<b>Non-Current liability (Amount due over one year)</b>	<b>429.15</b>	<b>476.62</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

ii. <b>Changes in defined benefit obligation</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Present value of defined benefit obligation as at the start of the year</b>	<b>680.15</b>	566.65
Interest cost	<b>52.15</b>	44.20
Current service cost	<b>88.45</b>	96.45
Benefits paid	<b>(57.34)</b>	(24.66)
Actuarial (gain)/loss on obligation	<b>(75.69)</b>	(2.49)
<b>Present value of defined benefit obligation as at the end of the year</b>	<b>687.72</b>	<b>680.15</b>
iii. <b>Expense recognised in the statement of profit and loss consists of:</b>	<b>Year ended March 31, 2020</b>	<b>Year ended March 31, 2019</b>
<b>Employee benefit expense</b>		
Current service cost	<b>88.45</b>	96.45
Net interest cost	<b>52.15</b>	44.20
	<b>140.60</b>	<b>140.65</b>
<b>Other comprehensive income</b>		
Actuarial gain on arising from change in demographic assumption	<b>(0.10)</b>	-
Actuarial (gain)/loss on arising from change in financial assumption	<b>(65.56)</b>	8.30
Actuarial gain on arising from experience adjustment	<b>(10.04)</b>	(10.79)
	<b>(75.69)</b>	<b>(2.49)</b>
iv. <b>Actuarial assumptions</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
Discount rate	<b>6.76% to 6.80%</b>	7.50% to 7.67%
Future salary increase	<b>5.00%</b>	7.00%
v. <b>Demographic Assumption</b>		
Superannuation age	<b>58 to 60 years</b>	58 to 60 years
Mortality table	<b>100% of IALM (2012-14)</b>	100% of IALM (2006-08)
Formula used	<b>Projected unit cost (PUC) method</b>	Projected unit cost (PUC) method
Average remaining working life	<b>24.12 to 31.35 years</b>	25.25 to 31.69 years
<b>Ages</b>	<b>Withdrawal Rate(%)</b>	
Up to 30 years	<b>3.00</b>	3.00
From 31 to 44 years	<b>2.00</b>	2.00
Above 44 years	<b>1.00</b>	1.00
vi. <b>Sensitivity analysis for gratuity liability</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
<b>Impact of the change in discount rate</b>		
a) Impact due to increase of 0.50%	<b>(25.69)</b>	(30.56)
b) Impact due to decrease of 0.50%	<b>28.12</b>	33.55
<b>Impact of the change in salary increase</b>		
a) Impact due to increase of 0.50%	<b>91.68</b>	33.60
b) Impact due to decrease of 0.50%	<b>(70.54)</b>	(30.88)

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### vii Maturity profile of defined benefit obligation

Within the next 12 months (next annual reporting period)	258.57	203.53
Between 2 and 5 years	40.40	78.41
Beyond 5 years	388.75	398.21
<b>Total expected payments</b>	<b>687.73</b>	<b>680.15</b>

### Holding Company

The average age at the end of the reporting period is 33.88 years (31 March 2019: 32.75 years).

The weighted average duration of the defined benefit obligation as at March 31, 2020 is 18.37 years (March 31, 2019: 18.96 years)

### Subsidiary Company

The average age at the end of the reporting period is 28.65 years (March 31, 2019: 28.52 years).

The weighted average duration of the defined benefit obligation as at March 31, 2020 is 22.36 years (March 31, 2019: 22.33 years)

## B. Defined contribution plans

The Group's contribution to state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund scheme are considered as defined contribution plans. The contribution under the schemes is recognised as an expense, when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.

## 44 Financial Instruments

### A Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Note	As at 31 March 2020	As at 31 March 2019
<b>Financial assets measured at fair value through profit or loss:</b>			
Investments	10	1.81	54.47
<b>Financial assets measured at amortised cost:</b>			
Loans	14	4.92	10.80
Other financial assets	5 & 15	2,454.23	409.48
Trade receivables	11	1,420.30	2,016.42
Cash and cash equivalents	12	1,844.18	1,227.99
Other bank balances	13	5,654.45	5,058.16
<b>Total</b>		<b>11,379.89</b>	<b>8,777.32</b>
<b>Financial liabilities measured at amortised cost:</b>			
Borrowings	20 & 25	75,695.86	77,940.56
Lease liability	4	19,440.47	-
Other financial liabilities	21 & 27	3,609.33	3,480.14
Trade payables	26	2,992.19	3,455.89
<b>Total</b>		<b>101,737.85</b>	<b>84,876.59</b>

### B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

The categories used are as follows:

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2020	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	10	1.81	-	-	1.81
<b>Financial assets measured at amortised cost:</b>					
Loans	14	-	4.92	-	4.92
Other financial assets	5 & 15	-	2,454.23	-	2,454.23
Trade receivables	11	-	1,420.30	-	1,420.30
Cash and cash equivalents	12	-	1,844.18	-	1,844.18
Other bank balances	13	-	5,654.45	-	5,654.45
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	20 & 25	-	75,695.86	-	75,695.86
Other financial liabilities	21 & 27	-	3,609.33	-	3,609.33
Trade payables	26	-	2,992.19	-	2,992.19
As at 31 March 2019	Note	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value through profit or loss:</b>					
Investments	10	54.47	-	-	54.47
<b>Financial assets measured at amortised cost:</b>					
Loans	14	-	10.80	-	10.80
Other financial assets	5 & 15	-	409.48	-	409.48
Trade receivables	11	-	2,016.42	-	2,016.42
Cash and cash equivalents	12	-	1,227.99	-	1,227.99
Other bank balances	13	-	5,058.16	-	5,058.16
<b>Financial liabilities measured at amortised cost:</b>					
Borrowings	20 & 25	-	77,940.56	-	77,940.56
Other financial liabilities	21 & 27	-	3,480.14	-	3,480.14
Trade payables	26	-	3,455.89	-	3,455.89

The management assessed that fair values of current loans, current financial assets, cash and cash equivalents, other bank balances, trade receivables, other receivables, short term borrowings, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- long-term loans and advances and non-current financial liabilities are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors.
- The fair values of the Group's fixed interest-bearing liabilities, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2020 was assessed to be insignificant.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

- (iii) All the other long term borrowing facilities availed by the Group are variable rate facilities which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Group's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Group. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

### C Financial risk management objectives and policies

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

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

#### Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2020.

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

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

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2020 and 31 March 2019.

#### Interest rate risk

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

Below is the overall exposure of the Group to interest rate risk:

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowing	72,630.79	76,127.75
Fixed rate borrowing	858.88	784.02
<b>Total borrowings</b>	<b>73,489.67</b>	<b>76,911.77</b>
	<b>Increase / Decrease in basis point</b>	<b>Effect on profit before tax</b>
	<b>INR lakhs</b>	
<b>31-Mar-20</b>	<b>+50%</b>	<b>-363.15</b>
	<b>-50%</b>	<b>363.15</b>
<b>31-Mar-19</b>	<b>+50%</b>	<b>-380.64</b>
	<b>-50%</b>	<b>380.64</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### Foreign currency risk

The Group is exposed to foreign exchange risk in the normal course of its business. Multiple currency exposures arise from commercial transactions like sales, purchases, borrowings, recognized financial assets and liabilities (monetary items). Certain transactions of the Group act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value. Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Foreign currency	Amount (₹ lakhs)	Foreign currency	Amount (₹ lakhs)
<b>Trade payables</b>				
USD	680,391.00	509.74	860,074.00	597.02
<b>Trade receivables</b>				
USD	22,245.00	16.56	2,412.00	1.68

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the Group operating activities.

	Change in USD rate	Effect on profit before tax
		INR lakhs
<b>31-Mar-20</b>	+5%	-26.32
	-5%	26.32
<b>31-Mar-19</b>	+5%	-29.85
	-5%	29.85

### Credit risk

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

#### **Trade receivables:**

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

#### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts of the financial instruments.

### Liquidity risk

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



# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

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

31 March 2020	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	7,475.23	25,795.76	71,356.19	<b>104,627.18</b>
Lease liabilities	5,573.75	23,255.75	122,601.56	<b>151,431.07</b>
Trade payables	2,539.73	199.71	2,087.45	<b>4,826.89</b>
Other financial liabilities	1,336.64	50.42	10,874.96	<b>12,262.02</b>
<b>Total</b>	<b>16,925.35</b>	<b>49,301.65</b>	<b>206,920.16</b>	<b>273,147.16</b>

31 March 2019	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowing (including current maturities of long term debt) including future estimated interest	10,553.30	51,745.63	97,757.70	160,056.64
Trade payables	3,455.84	-	-	3,455.84
Other financial liabilities	1,454.77	366.74	11,174.26	12,995.76
<b>Total</b>	<b>15,463.91</b>	<b>52,112.37</b>	<b>108,931.96</b>	<b>176,508.24</b>

### 46 Capital management

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding liability	<b>106,227.34</b>	99,045.56
Less : Cash and Cash equivalents	<b>1,844.18</b>	1,227.99
Net outstanding liability (A)	<b>104,383.16</b>	97,817.57
Total net worth (B)	<b>11,085.29</b>	12,187.46
<b>Gearing ratio (A)/(A+B) (%)</b>	<b>90.40%</b>	88.92%

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

# ASIAN HOTELS (WEST) LIMITED

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(All amount in ₹ Lakhs, unless otherwise stated)

### 47 SEGMENT INFORMATION

#### Information regarding Primary Segment Reporting as per Ind AS-108

The Group is engaged in only one segment of Hotel business. The Group has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these financial statements.

- 48 The operations of the hotel are adversely impacted by way of reduction in occupancy in February and March 2020 due to travel restrictions and subsequent nationwide lockdown announced by Government of India due to outbreak of COVID-19 worldwide. The Company and its subsidiary are undertaking all necessary cost saving measures, rationalise resources and initiatives to uplift revenue and to conserve cash. In evaluating the impact of COVID-19, on its ability to continue as a going concern, the Company has made a detailed assessment of its liquidity position and believes that it has sufficient financing arrangements to fulfil its working capital requirements in addition to the funds expected to be generated from the operating activities. The Company and its subsidiary has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, right of use assets, investments, trade receivables, inventories, and other current assets appearing in the financial statements of the Company. Based on the current indicators of future economic conditions, the management expects to recover the carrying value of these assets. The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company and its subsidiary will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.
- 49 The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 22, 2020 and in accordance therewith the holding company has opted for a moratorium of six months on the payment of all principal instalments and interest pertaining to term loan availed from Yes Bank, falling due between March 1, 2020 and August 31, 2020. Accordingly, the liability classification has changed from current liability to non-current liability to the extent of amount to be repaid during the moratorium period and current liability has been decreased and non-current liability increased by accordingly.
- 50 Pursuant to taxation laws (Amendment) Ordinance, 2019 dated September 20, 2019, the Company and subsidiary company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 from the year ended March 31, 2020. Accordingly, the deferred tax liability and deferred tax asset as at March 31, 2019 has been remeasured and MAT credit available with the Company as at March 31, 2019 has been written off resulting in net increase in profit after tax by ₹ 105.53 lakhs for the year ended March 31, 2020.
- 51 Figures of the previous year have been regrouped and reclassified wherever necessary to make them comparable with the current year figures.

The accompanying notes are an integral part of financial statements

### As per our report of even date

#### FOR S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

#### ATUL SEKSARIA

Partner

Membership No. 086370

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

#### SUSHIL KUMAR GUPTA

Chairman & Managing Director

DIN : 00006165

#### SANDEEP GUPTA

Executive (Whole Time) Director

DIN : 00057942

#### RAKESH KUMAR AGGARWAL

Chief Financial Officer

PAN No.: AAAPA3338D

#### VIVEK JAIN

Company Secretary

Membership No. : FCS - 7204

Place : Faridabad

Dated : June 30, 2020

Place : New Delhi

Date : June 30, 2020



**ASIAN HOTELS (WEST) LIMITED**

**CIN: L55101DL2007PLC157518**

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