



Asian Hotels (North) Limited



35th

Annual Report 2015-16

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shiv Kumar Jatia
Chairman and Managing Director
Lalit Bhasin
Dinesh Chandra Kothari
Priya Shankar Dasgupta
Pinaki Misra
Gautam Ramanlal Divan
Dipendra Bharat Goenka
Amritesh Jatia
Anita Thapar
Executive Director - Administration & Corporate Co-ordination

GROUP CORPORATE FINANCE HEAD

Deepak Gupta
General Manager - Finance

CHIEF FINANCIAL OFFICER

Prakash Chandra Sharma
Vice President - Corporate Finance

COMPLIANCE OFFICER

Dinesh Kumar Jain
Vice President (Corporate) & Company Secretary

AUDITORS

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

BANKERS

DBS Bank Limited
Bank of Maharashtra
Axis Bank Limited
Yes Bank Limited
Kotak Mahindra Bank Limited

REGISTRAR & TRANSFER AGENTS

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

REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT

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

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ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg,
New Delhi – 110066

Phone: 011 66771225/26; Fax: 011 26791033

Website: www.asianhotelsnorth.com

E-mail: investorrelations@ahlnorth.com

NOTICE

Notice is hereby given that the 35th Annual General Meeting of ASIAN HOTELS (NORTH) LIMITED will be held on Thursday, the 29th September, 2016, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi*, Bhikaiji Cama Place, M. G. Marg, New Delhi-110066 to transact the following business:

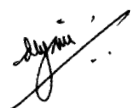
ORDINARY BUSINESS

1. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** the audited Stand-alone Financial Statements of the Company for the financial year ended 31st March, 2016, including the Balance Sheet as at 31st March, 2016, the respective Statements of Profit & Loss and Cash Flow for the year ended as on that date, and the accompanying Notes thereto, along with the Auditors’ Report and Directors’ Report thereon, be and are hereby received, approved and adopted.”
2. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** the audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2016, including the Consolidated Balance Sheet as at 31st March, 2016, the respective Consolidated Statements of Profit & Loss and Cash Flow for the year ended as on that date, and the accompanying Notes thereto, along with the Auditors’ Report thereon, be and are hereby received, approved and adopted.”
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Mr. Amrithesh Jatia (DIN: 02781300), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.”
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended or re-stated from time to time, and the resolution passed by the shareholders in the 34th Annual General Meeting held on 21st September, 2015, appointing the Statutory Auditors named herein from the conclusion of that meeting till the conclusion of the 39th Annual General Meeting, the appointment of **M/s. Dhirubhai Shah & Doshi**, Chartered Accountants, Ahmedabad (**Firm Registration No.: 102511W**) as Statutory Auditors of the Company, who being eligible have offered themselves for ratification of their appointment, be and is hereby ratified to hold office from the conclusion of this annual general meeting till the conclusion of the 39th Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** consent of the shareholders be and is hereby accorded in pursuance of the applicable provisions of the Companies Act, 2013 and rules made there-under, as amended or re-stated from time to time, to adopt the re-stated Articles of Association in substitution of the existing Articles of Association of the Company.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto, and to settle any question(s), difficulty(s) or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution, as the Board of Directors may deem fit and appropriate, to give effect to the above.”
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Mr. Pinaki Misra (DIN: 00568348) who had submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 (the Act) and was appointed as an additional director of the Company under Section 161(1) of the Act, whereby his term expires at the ensuing annual general meeting, and subject to the approval of the shareholders at the ensuing annual general meeting, was also appointed as an Independent Director for a term of five consecutive years, and in respect of whom the Company has received a notice under Section 160 of the Act from a shareholder proposing his candidature for the office of director, be and is hereby appointed as an independent director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time, to hold office for a term of five consecutive years ending 26th May, 2021.”

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



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

Place: New Delhi
Date: 8th August, 2016

*It is located near Engineers India Building on Mahatma Gandhi Marg (Ring Road) New Delhi, in between Dhaula Kuan and All India Institute of Medical Sciences. Hotel Hyatt Regency Delhi is in itself a prominent land mark building. Route map is printed on page no. 120

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NOTES:

- 1) The Statement under Section 102 of the Companies Act, 2013 (the Act), setting out the material facts concerning the special business listed at Item Nos. 5 and 6 is enclosed and forms part of this Notice.
- 2) Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment / re-appointment at the ensuing annual general meeting, viz. brief resume detailing age, qualifications, nature of expertise in specific functional areas, directorships and membership of committees held in other companies, shareholding interest in the Company and inter-se relationship amongst directors / key managerial personnel is appended (please refer page no. 7) and should be construed as a part of this Notice and the accompanying Statement under Section 102 of the Act.
- 3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
The Admission Slip cum E-voting Advice is appended to the Annual Report 2015-16. The Proxy Form is also annexed towards the end of the Annual Report.
- 4) Pursuant to Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
- 5) **The instrument of Proxy, in order to be effective, should reach the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions or authorizations, as applicable.**
- 6) Corporate Members intending to send their authorized representatives under Section 113 of the Act, are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting, together with duly certified signatures of such representatives.
- 7) The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts and Arrangements in which Directors are interested and all documents referred to in the accompanying Notice are open for inspection in physical form by the Members at the Registered Office of the Company during business hours between 10.00 a.m. and 5.00 p.m. on all working days till the date of the ensuing annual general meeting, and also during the said meeting.
- 8) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 24th September, 2016, to Thursday, the 29th September, 2016, inclusive of both days.
- 9) Dividend amount which remains unpaid / unclaimed for a period of seven years in terms of Section 205A of the Companies Act, 1956, is liable to be transferred by the Company to the credit of Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C thereof. The Company has already served reminders to shareholders individually from time to time in respect of unpaid / unclaimed dividends, which were declared and paid during past seven years. Therefore, shareholders who have not received and / or en-cashed dividend warrant(s) for the financial year / period ended 30th September, 2009, 31st March, 2010, 31st March, 2011, 31st March, 2012, 31st March, 2013 and 31st March, 2014 are specifically requested to apply for duplicate dividend warrant(s) by writing to the Company or to the Company's Registrar & Transfer Agent, namely Karvy Computershare Private Limited (Karvy), quoting their Folio No. / Client ID No., number of shares held etc. Attention of the members is also drawn to the fact that unpaid / unclaimed amounts pertaining to the dividend for the eighteen month period ended 30th September, 2009 are due for transfer to the IEPF, and therefore, any claim in respect thereof should be lodged before 15th March, 2017.
- 10) a) Members are requested to notify change, if any, in their e-mail ID and / or mailing address including pin code, quoting their folio number to the Registrar & Transfer Agent or the Company.
b) Members holding shares in electronic form should notify any change in their e-mail ID, mailing address including pin code, bank details etc. directly to their respective Depository Participants.
- 11) Non-Resident Indian shareholders are requested to inform changes, if any, in their residential status and / or particulars of NRE Bank Account maintained in India, along with name and complete address of the Bank to the Registrar & Transfer Agent or the Company.
- 12) The Securities and Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever requisite bank details are available. **Members holding shares in physical form are also requested to register their mandate for transfer of dividend, as and when declared in future, through NECS so that the same may be deposited directly to the members' respective bank accounts. The proforma for registration / up-dation of NECS mandate is annexed towards the end of the Annual Report.** Further, members holding shares in electronic form should notify change in their bank account details, if any, directly to their respective depository participants. In the absence of NECS facilities, the Company prints the bank account details, if available, on the dividend warrant to avoid any fraudulent encashment of warrants.
- 13) Electronic copy of Annual Report 2015-16 including the Notice of the 35th Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participants unless any member has specifically requested for a physical copy.

ASIAN HOTELS (NORTH) LIMITED

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

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

14) Annual Report 2015-16 including the Notice of the 35th Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, is also available on the Company's website www.asianhotelsnorth.com and may be accessed or downloaded there-from. The said Notice is also uploaded on the website of Karvy, the agency providing the e-voting platform and can be accessed or downloaded from the URL:<https://evoting.karvy.com>.

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

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

16) Annual Report 2015-16 including the Notice of the 35th Annual General Meeting is being mailed to all the members, whose names appear in the Register of Members / list of beneficial owners as furnished by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on Friday, the 19th August, 2016.

17) a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management & Administration) Rules, 2014, and Regulation 44 of the Listing Regulations, the Company is pleased to provide to the members the facility to exercise their right to vote by electronic means in respect of the business placed at the 35th Annual General Meeting through remote e-voting platform provided by Karvy.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18.3 Members of the Company holding shares in physical form or in dematerialized form, as at the close of business hours on the cut-off date, being Friday, the 23rd September, 2016, shall only be entitled to vote on the proposed resolutions; and their shareholding on such date shall only be reckoned for the purposes of arriving at the results of the remote e-voting and ballot at the annual general meeting.

The e-voting period commences on Monday, the 26th September, 2016, at 9.00 a.m. and ends on Wednesday, the 28th September, 2016, at 5.00 p.m. Thereafter, the remote e-voting module shall be disabled for voting. E-vote once cast, cannot be altered subsequently.

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

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

Members who may cast their vote through remote e-voting are also entitled to attend the annual general meeting but shall not be permitted to vote at the meeting through ballot paper. In case of voting by both the modes, votes cast through remote e-voting shall only be considered valid.

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

Mr. Srikrishna Pemmaraju, Manager-Corporate Registry
Karvy Computershare Pvt. Ltd.
Karvy Selenium – Tower B
Plot No. 31-32, Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad -500 032
Phone: +91 40 67161516 email: srikrishna.p@karvy.com

18.5 The Board of Directors of the Company, at its meeting held on 8th August, 2016, has appointed Dr. S. Chandrasekaran / Mr. Rupesh Agarwal, Partners, M/s. Chandrasekaran Associates, Company Secretaries, as the Scrutinizer for conducting the remote e-voting process as well as the voting through ballot at the annual general meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, there-after unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses, not being in the employment of the Company, and prepare not later than two days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman of the Company or in his absence to Dr. Lalit Bhasin, Independent Non-Executive Director and Chairman, Audit Committee and Nomination & Remuneration Committee, as authorized by the Board, whereupon the Chairman / Dr. Bhasin shall declare the result forthwith. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the annual general meeting. Once declared, the result shall be notified to the Stock Exchanges and uploaded on the website of the Company & Karvy.

18.6 Persons who may become members of the Company between 20th August, 2016 and 23rd September, 2016, may obtain the User ID and initial password by following the instructions given below:

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

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

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

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

- b) If e-mail address or mobile number of the member is registered against Folio No. / DPID-Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. / DPID-Client ID, to generate a password.
- c) Member may send an e-mail request to evoting@karvy.com or call Karvy's Toll free number 1-800-3454-001.

ASIAN HOTELS (NORTH) LIMITED

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

Item No. 5

With the introduction of the Companies Act, 2013 (the Act), the Articles of Association of the Company were amended in the 34th Annual General Meeting to bring these in line with the provisions of the Act. However, in the process certain discrepancies and typographical mistakes had occurred inadvertently. In view of the above, and further to incorporate the provisions of the newly introduced SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it was considered appropriate to adopt a fresh set of Articles of Association.

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

Your directors are of the opinion that it will be in the Company's interest to amend the Articles of Association of the Company, as re-stated, and therefore, recommend to approve the resolution at Item No. 5 of the accompanying Notice as a Special Resolution.

Item No. 6

Mr. Pinaki Misra, aged 56, is a designated Senior Advocate, and has been practicing in the Supreme Court of India, High Courts all over India and other judicial tribunals such as the Company Law Board, the National Green Tribunal, the Central Electricity Appellate Authority, the Competition Commission of India, the Customs and Excise Appellate Tribunal, the Foreign Exchange Regulation Authority and other such quasi judicial bodies, for the past 31 years.

After graduating from St. Stephen's College, Delhi University, Mr. Misra completed L.L.B. from the Faculty of Law, Delhi University.

Mr. Misra has represented various Indian corporate giants and multinational companies in transactional and litigation matters within India and abroad, and has also rendered expert legal opinions in many a important cases.

Presently, Mr. Misra is serving his third term as an elected Member of Parliament to the Lower House (Lok Sabha) from Puri Parliamentary Constituency from the State of Odisha; and is the Chairperson - Parliamentary Standing Committee on Urban Development. In the previous term, he served on the Parliamentary Standing Committee of Personnel, Law and Justice, Consultative Committee of Law and Justice, as also the Consultative Committee of Civil Aviation.

Presently, Mr. Misra holds directorships in W H Brady and Company Limited, Brady Telesoft Private Limited, Jupiter Estates Private Limited, White Lily Estates Private Limited, Ocean Grand Resorts and Hotels Private Limited and Ferro Alloys Corporation Limited.

Based on the recommendations of the Nomination and Remuneration Committee and considering his vast experience, the Board in its meeting held on 27th May, 2016, appointed Mr. Pinaki Misra as an Additional Director in the capacity of an independent director, in pursuance of Section 161(1) read with Section 149(6) of the Act. Further, subject to the approval of the shareholders in this annual general meeting, the Board also appointed Mr. Pinaki Misra as an Independent Director for a term of five consecutive years from 27th May, 2016 to 26th May, 2021, in pursuance of provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time.

In the opinion of the Board of Directors, Mr. Misra fulfils the conditions specified in the Act and the rules made there-under. Further, in the opinion of the Board of Directors, Mr. Misra is independent of the management.

Mr. Misra does not have any shareholding interest in the Company.

Except Mr. Misra, none of the directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financial or otherwise in the resolution at Item No. 6 of the accompanying Notice except to the extent of their respective shareholding in the Company and for holding the office of director therein.

Your directors are of the opinion that it will be in the Company's interest to have his association with the Company, and therefore, recommend to approve the resolution at Item No. 6 of the accompanying Notice as an Ordinary Resolution.

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



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

Place: New Delhi
Date: 8th August, 2016

ASIAN HOTELS (NORTH) LIMITED

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

Name of Director & DIN	Expertise in Specific Functional Area	Other Companies in which Directorships Held
Mr. Amritesh Jatia DIN: 02781300 (refer Item No. 3 of the accompanying Notice)	<p>Mr. Amritesh Jatia, aged 30, graduated in Business Management from Babson College, U.S.A., and worked as an Analyst with Ernst & Young LLP, New York. Since returning to India, he has been monitoring execution and progress of various projects initiated by the Jatia Group. Mr. Jatia has about nine years' experience. In view of his educational background and experience in the industry, he has attained expertise in financial and operational functions. He was first appointed to the Board on 11th November, 2010, and has been holding the office of a director as a non-executive director under promoter's category.</p> <p>Mr. Jatia does not hold any shares in the Company in his individual capacity, but being one of the directors and controlling shareholder of Fineline Holdings Limited and Yans Enterprises (H.K.) Limited, and the son of Mr. Shiv Kumar Jatia, Chairman & Managing Director, he may be considered to have indirect interest in the entire promoters' shareholding of 14100716 equity shares (72.49% of the total equity) in the Company.</p> <p>Mr. Jatia attended three Board meetings during the financial year 2015-16.</p>	<p>Leading Hotels Limited Energy Infrastructure (India) Limited Pergo India Private Limited</p> <p>In addition to the above, he holds directorships in many overseas companies.</p> <p>He is the chairman of the Nomination and Remuneration Committee of Leading Hotels Limited, a subsidiary of the Company.</p>
Mr. Pinaki Misra DIN: 00568348 (refer Item No. 6 of the accompanying Notice)	<p>Mr. Pinaki Misra, aged 56, is a designated Senior Advocate, and has been practicing in the Supreme Court of India, High Courts all over India and other judicial tribunals such as the Company Law Board, the National Green Tribunal, the Central Electricity Appellate Authority, the Competition Commission of India, the Customs and Excise Appellate Tribunal, the Foreign Exchange Regulation Authority and other such quasi judicial bodies, for the past 31 years.</p> <p>After graduating from St. Stephen's College, Delhi University, Mr. Misra completed L.L.B. from the Faculty of Law, Delhi University.</p> <p>Mr. Misra has represented various Indian corporate giants and multinational companies in transactional and litigation matters within India and abroad, and has also rendered expert legal opinions in many a important cases.</p> <p>Presently, Mr. Misra is serving his third term as an elected Member of Parliament to the Lower House (Lok Sabha) from Puri Parliamentary Constituency from the State of Odisha; and is the Chairperson - Parliamentary Standing Committee on Urban Development. In the previous term, he served on the Parliamentary Standing Committee of Personnel, Law and Justice, Consultative Committee of Law and Justice, as also the Consultative Committee of Civil Aviation.</p> <p>Mr. Misra does not have any shareholding interest in the Company. As an independent non-executive director, Mr. Misra is entitled to sitting fee for attending the meetings of the Board or Committees thereof, and commission, subject to a maximum of Rs. 5,00,000/- during any financial year, on the net profit of the Company for the relevant year in terms of Sections 197, 198 and other applicable provisions of the Act. No stock option is offered to any director or executive of the Company.</p>	<p>W H Brady and Company Limited Brady Telesoft Private Limited Jupiter Estates Private Limited White Lily Estates Private Limited Ocean Grand Resorts and Hotels Private Limited Ferro Alloys Corporation Limited</p> <p>Mr. Misra does not hold membership or chairmanship of any committee across the companies in which he holds directorships.</p>

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



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

Place: New Delhi
Date: 8th August, 2016

ASIAN HOTELS (NORTH) LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to submit their 35th Report together with the Audited Financial Statements for the year ended 31st March, 2016.

FINANCIAL RESULTS & THE STATE OF COMPANY'S AFFAIRS

(on stand-alone basis)

(Rupees in Crore)

Particulars	FY 2015-16	FY 2014-15
Revenue from Operations (Net)	240.74	232.49
Other Income	13.64	30.95
Profit Before Interest, Depreciation & Prior period adjustments	85.92	75.01
Interest & Finance charges	137.84	93.64
Depreciation & Amortisation	22.71	26.54
Exceptional Items	(32.17)	0
Prior Year Adjustments	0.34	0.16
Profit/(Loss) Before Tax	(42.8)	(45.33)
Provision for Taxation (Net)	25.81	2.84
Net Profit/(Loss)	(16.99)	(48.18)
Surplus Brought Forward	109.37	159.26
Depreciation Adjustment based on transitional provisions under Schedule II to the Companies Act, 2013	0	(1.71)
Profit Available for Appropriation	92.38	109.37
Transfer to General Reserve	0	0
Proposed Dividend – Equity	0	0
Corporate Dividend Tax	0	0
Surplus Carried Forward	92.38	109.37
Earning per share - Basic & Diluted (Rs.)	(8.74)	(24.77)

Total net revenue from operations for the financial year 2015-16 was Rs. 240.74 crore as against Rs. 232.49 crore in the prior year, a moderate increase of 3.55%.

Combined revenue from Food & Beverage including Wines & Liquor has registered an increase of 9.4% during the year under review, as compared to the prior year. "The Mansion", the new banquet facility which became operational in August 2014, is a much sought-after event venue in the National Capital Region. Your Directors expect it to bring increasingly more revenue, from Food & Beverage but will also have a positive impact on room occupancy because of conventions and meetings and will thus improve the overall revenue.

Other income during the year under review was Rs. 13.64 crore (prior year Rs. 30.95 crore) which included gain on foreign currency transactions and translation (other than considered as finance cost) of Rs. 3.75 crore (prior year Rs. 2.27 crore); net gain on sale of fixed assets of Rs. 4.22 crore (prior year Rs. 24.75 crore) and total interest income of Rs. 1.15 crore (prior year Rs. 2.35 crore).

Transfer to Reserves / Dividend

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

Further, no amount has been transferred to the General Reserve. However, an addition of Rs. 86.77 lac to the General Reserve has been made during the year under review because of deduction of the like amount from Revaluation Reserve, being the amount withdrawn on account of depreciation on the increased amount of assets due to revaluation, that has been credited to the General Reserve based on the guidance provided by "Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India.

Material changes and commitments affecting the financial position of the Company

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

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

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

Consolidated Financial Statements

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

ASIAN HOTELS (NORTH) LIMITED

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

Foreign Exchange Receipts

The Company's earnings in foreign exchange for the year under review amounted to Rs. 127.06 crore as compared to Rs. 126.11 crore during the prior year.

CAPITAL STRUCTURE

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

During the year under review, the Company has neither issued equity shares with differential rights as to dividend, voting or otherwise, nor has it issued shares to its employees under any scheme (including sweat equity shares).

Un-claimed Shares

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

Status	No. of holders whose shares are marked as un-claimed	No. of shares marked as un-claimed
A. Status of un-claimed shares at the beginning of the year i.e. 1 st April, 2015	848	69629
B. No. of claims received by the Company during the year under review for release of shares	17	2874
C. No. of claims settled and shares released to the rightful claimants during the year under review	14	1804
Balance un-claimed shares as at the end of the year i.e. 31st March, 2016 (A-C)	834	67825

Note: The status of claims received which are pending for want of proper documents / supports from the investors:

Status of Pending Claims	No. of claims	No. of shares relating to such claims
Claims received up to 31 st March, 2015 but pending as on 31 st March, 2016	17	1515
Claims received between 1 st April, 2015 and 31 st March, 2016 but pending as on 31 st March, 2016	3	1070
Total pending claims as on 31 st March, 2016	20	2585
Add: Claims received between 1 st April, 2016 to date	3	1937
Less: Claims settled between 1 st April, 2016 to date	1*	70
Claims pending as of date	22	4452

*Claim received during financial year 2015-16

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

PROMOTERS

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

SUBSIDIARIES

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

Thus, FHCPL has 79.81% economic interest in Leading.

Leading is developing an all villa hotel complex, including residential villas and an 18 hole, 72 par championship golf course in Goa for which it has acquired substantial parcels of land. Leading has already obtained all permissions/approvals from various government authorities and the work has started at the site. The said project will be under the management of Four Seasons, a world famed hotel chain and Hospitality Management Company.

Petitions have been filed against the grant of Environmental and Coastal Regulation Zone clearances to the aforesaid project at Goa with the National Green Tribunal, which are being contested by Leading. Your Directors are confident of Leading being able to successfully get the petitions quashed and retain the said clearances, which are essential for the completion of its projects.

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Further, several legal disputes, including a Public Interest Litigation have been initiated by the owners and / or tenants of the land acquired by Leading for the aforesaid project at Goa, and others over the Leading's rights, process of acquisition of land and compliance with the provisions of Tenancy Act, which are pending adjudication at various forums including at District and High Courts. Based on the legal advice and outcome of similar cases in the past, your Directors are hopeful of favorable outcome and do not foresee them to have any material impact on the progress of the said project.

During the year under review, no company became a subsidiary or joint venture or associate of the Company. However, subsequent to the sale of Kolkata land in July 2015, the Company's entire shareholding in Newtown Hospitality Private Limited was divested, and accordingly, it ceased to be a subsidiary with effect from 27th July, 2015. Besides, no other company ceased to be a subsidiary or joint venture or associate during the year under review.

Performance and financial position of the subsidiaries

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

STATUTORY AUDITORS & THEIR REPORT

M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Ahmedabad (Firm Registration No.- 102511W), were appointed as the statutory auditors of the Company in the previous annual general meeting to hold office from the conclusion of the 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting of the Company. Being eligible, they have offered themselves for ratification of their appointment and accordingly, an appropriate resolution is proposed at Item No. 4 of the Notice convening the ensuing annual general meeting for ratification of their appointment to hold office from the conclusion of this annual general meeting to the conclusion of the 39th Annual General Meeting.

Internal Financial Controls over Financial Reporting

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

In the opinion of the Statutory Auditors of the Company, as expressed by them in their report dated 27th May, 2016, the Company has adequate internal control systems for financial reporting as at 31st March, 2016.

INTERNAL AUDITORS

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

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

SECRETARIAL AUDITORS & THEIR REPORT

M/s. Chandrasekaran Associates, Company Secretaries, the Secretarial Auditors of the Company, in their report for the financial year ended 31st March, 2016, have made the observation that there was a delay in repayment of certain installments of loans including interest amounts thereon to three banks, namely DBS Bank Ltd., IDBI Bank Ltd. and Bank of Maharashtra. The disclosures made in the Notes to the Financial Statements are self explanatory in this regard.

The Secretarial Auditors Report is annexed as **Annexure 'A'** and forms part of this Report.

In compliance with Section 204 of the Act, the Company has re-appointed M/s. Chandrasekaran Associates, Company Secretaries, as Secretarial Auditors for the financial year 2016-17.

ALTERATION OF ARTICLES OF ASSOCIATION

With the introduction of the Companies Act, 2013, the Articles of Association of the Company were amended in the 34th Annual General Meeting to bring these in line with the provisions of the Act. However, in the process certain discrepancies and typographical mistakes had occurred inadvertently. In view of the above, and further to incorporate the provisions of the newly introduced SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it was considered appropriate to adopt a fresh set of Articles of Association and accordingly, an appropriate special resolution is proposed at Item No. 5 of the Notice convening the ensuing annual general meeting.

The proposed Articles of Association have been uploaded on the Company's website and may be viewed thereat.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Amrithesh Jatia retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Mr. Gautam Ramanlal Divan and Mr. Priya Shankar Dasgupta, the independent non-executive directors were appointed pursuant to Section 149 of the Act for a term of five years from the conclusion of the 33rd Annual General Meeting held on 30th September, 2014 and hold office up to the 38th Annual General Meeting or 29th September, 2019, whichever is earlier. In terms of Clause VIII(2) of Schedule IV to the Act, the Board in its meeting held on 27th May, 2016, evaluated the performance of the independent directors in terms of the criteria set out in the Nomination, Remuneration and Evaluation Policy, and finding their performance to be satisfactory, decided to continue with their respective terms.

During the year under review, Mrs. Archana Jatia resigned from the office of director effective 17th April, 2015. However, the vacancy so

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caused was filled up in the first Board meeting held after her resignation, i.e. on 28th May, 2015, when Ms. Anita Thapar was appointed as an additional director, and was designated as Executive Director – Administration & Corporate Co-ordination, liable to retire by rotation; and the said appointment was approved by the shareholders in the previous annual general meeting.

In the 34th Annual General Meeting held on 21st September, 2015, Mr. Shiv Kumar Jatia was re-appointed as the Managing Director of the Company for a further term beginning 10th April, 2016 to 31st March, 2019, not liable to retire by rotation.

Based on the recommendations of the Nomination and Remuneration Committee, the Board in its meeting held on 27th May, 2016, appointed Mr. Pinaki Misra as an Additional Director in the capacity of an independent non-executive director, in pursuance of Section 161(1) read with Section 149(6) of the Act. Further, subject to the approval of the shareholders in this annual general meeting, the Board also appointed Mr. Pinaki Misra as an Independent Director for a term of five consecutive years from 27th May, 2016 to 26th May, 2021, in pursuance of provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and rules made there-under, read with Schedule IV to the Act, as amended or re-stated from time to time. The Company has also received a notice under Section 160 of the Act from a member proposing his candidature for the office of director, and accordingly, an appropriate resolution is proposed at Item No. 6 of the Notice convening the ensuing annual general meeting.

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

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

Further, during the year under review, Mr. Jyoti Subarwal, President – Finance & Operations, the Chief Financial Officer of the Company superannuated on 15th September, 2015. The Board places on record its sincere appreciation of the services rendered by Mr. Jyoti Subarwal.

On the basis of the recommendations of the Nomination and Remuneration Committee, the Board in its meeting held on 21st September, 2015 appointed Mr. Prakash Chandra Sharma, Vice President – Corporate Finance as the Chief Financial Officer of the Company pursuant to Section 203 of the Act.

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

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

- that in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the loss of the Company for that year;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts on a going concern basis;
- that the Directors have laid down internal financial controls that are being followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Significant accounting policies followed by the Company, and the required disclosures are detailed in the Notes to the Financial Statements.

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

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

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

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

CORPORATE GOVERNANCE

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

Details of various components of remuneration and other disclosures pursuant to Clause IV of Para (B) of Section II of Part II of Schedule V to the Act are given on page no. 21 of the Corporate Governance Report appended hereto as **Annexure 'E'**.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors, which comprises of four members viz. Mr. Shiv

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Kumar Jatia, Managing Director who chairs the Committee meetings; and Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, and Mr. Gautam Ramanlal Divan, Independent Non-Executive Directors. The CSR policy as recommended by the CSR Committee and approved by the Board of Directors is enclosed as **Annexure 'G'**, in pursuance of Section 134(3)(o) of the Act and forms part of this Report. Further, the Annual Report on CSR activities in pursuance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, describing inter-alia the initiatives taken by the Company in implementation of its CSR Policy is enclosed as **Annexure 'H'** and forms part of this Report.

RISK MANAGEMENT

The Company's Board is conscious of the need to periodically undertake the risk assessment and minimization procedures there-for. Subsequent to the year under review, the Board in its meeting held on 13th May, 2016, had approved and adopted a 'Risk Analysis Report as of 31st March, 2016' delineating the mitigating factors in respect of various risk factors identified therein. Further, in its meeting held on 27th May, 2016, the Board noted that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

MEETINGS OF THE BOARD OF DIRECTORS

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

EXTRACT OF ANNUAL RETURN

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

BOARD EVALUATION

The Board of Directors of the Company has in place an evaluation criteria for assessment of its own performance, that of the committees of the Board and the individual directors. The Board in its meeting held on 27th May, 2016 has discussed its overall performance on the parameters as laid down in the Nomination, Remuneration and Evaluation Policy and concluded that the Board and its Committees have been performing well as efficient units. The details of the evaluation criteria are enumerated in the Nomination, Remuneration and Evaluation Policy which is annexed as **Annexure 'J'** and forms part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

The independent non-executive directors of the Company namely, Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Mr. Priya Shankar Dasgupta and Mr. Gautam Ramanlal Divan have given declaration describing that they continue to conform to the criteria set out for an independent director under Section 149(6) of the Act read with the relevant regulations of the Listing Regulations, and such declarations were taken on record by the Board in its first meeting held during the financial year 2016-17.

Further, such declaration was also received from Mr. Pinaki Misra and was taken on record by the Board while approving his appointment as an independent non-executive director, in its meeting held on 27th May, 2016.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements or transactions entered in to by the Company during the financial year 2015-16, were in the ordinary course of business and were at an arm's length basis. During the year under review, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material in accordance with the Company's policy on materiality of related party transactions read with the provisions of the Listing Regulations.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

NOMINATION, REMUNERATION AND EVALUATION POLICY

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

AUDIT COMMITTEE

The details of composition of the Audit Committee, its terms of reference and meetings held during the year under review, forms part of the Corporate Governance Report, annexed to this Report as **Annexure 'E'**.

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

CHANGE IN THE NATURE OF BUSINESS

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

DEPOSITS

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

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LISTING ON STOCK EXCHANGES

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

Industry Structure & Developments and Opportunities & Outlook

According to a Ministry of Tourism report (World Travel & Tourism Council's Economic Impact 2015), foreign tourist arrival in India increased at a compound annual growth rate of 7.1% during the calendar years 2005-2015. Further, it is expected that by the year 2025 foreign tourist arrival in India would reach 15.3 million. With the Government of India further de-regulating / relaxing FDI norms in a host of industries, especially the defence sector and with stronger bilateral trade, the international business travel and delegation business into New Delhi is expected to see a gradual increase.

According to World Bank – India Development Update, India's economic growth is expected to rise to 7.9% and 8% respectively during the financial years 2016-17 and 2017-18. With a steady increase in the upper middle class, even the domestic tourist is increasingly upgrading its hotel preferences and this trend is also contributing to the increasing demand in five-star hotel segment.

Threats, Risks and Concerns

Even though there is growth in demand, the additional supply of rooms in the NCR Region, especially in Aerocity area, do pose a threat to both base occupancy levels and average room rates.

Review of Operational and Financial Performance

The Company achieved aggregate revenue of Rs. 240.74 crore from operations for the year ended 31st March, 2016. The said revenue in the prior year was Rs. 232.49 crore. Detailed discussions are given under 'Financial Results & the State of Company's Affairs' herein-above.

Segment wise performance

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

Internal Control Systems including Financial Controls and their adequacy

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

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

Human Resources and Industrial Relations

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

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

During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company enjoys harmonious relationship with its employees. The Company had 628 employees on its rolls as on 31st March, 2016.

ACKNOWLEDGEMENT

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

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

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

For and on behalf of the Board

Place: New Delhi
Dated: 8th August, 2016

Shiv Kumar Jatia
Chairman & Managing Director
DIN: 00006187

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ANNEXURE 'A' FORMING PART OF THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

The Members

Asian Hotels (North) Limited

Bhikaiji Cama Place

M. G. Marg, New Delhi-110066

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable, and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
 1. Delhi Eating House Registration Regulation, 1980;
 2. Food Safety & Standard Act, 2006;
 3. The Food Safety and Standard Rules, 2011; and
 4. Delhi Entertainment & Betting Tax Act, 1996.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, being effective from 01.07.2015.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 being effective from 01.12.2015.

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

There was delay in repayment of certain installments of loans including interest amounts thereon, to three banks namely DBS Bank Limited, IDBI Bank Limited and Bank of Maharashtra.

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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 the 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.

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

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

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

Date: 30.07.2016

Place: New Delhi

Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS1644
Certificate of Practice No.: 715

Note: This report is to be read with our letter of even date which is annexed as Annexure-1 to this report and form an integral part of this report.

Annexure-1 to the Report

The Members

Asian Hotels (North) Limited

Bhikaji Cama Place
M. G. Marg, New Delhi-110066

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

Date: 30.07.2016

Place: New Delhi

Chandrasekaran Associates
Company Secretaries

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS1644
Certificate of Practice No.: 715

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'B' FORMING PART OF THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

S. No.	Energy Conservation measures taken during the financial year 2015 – 16	Impact (savings per annum)
1.	Installed 26 power saver units during October 2015	Rs. 30 lac approx.

S. No.	Steps taken by the Company for utilizing alternate sources of energy	Status
1.	The Company has been actively trying to enter into a Power Purchase Agreement under Open Access Scheme for utilizing power from renewable sources (Green Power) and had made an application to the State Load Dispatch Centre Delhi for availing the said open access system.	Necessary approvals were received and the Company has commenced availing Green Power (Hydel) effective 8 th June, 2016 up to an average of 75% of its total consumption, thus reducing huge amount of carbon footprint. It will make a huge saving for the Company during the financial year 2016-17 and onwards.
2.	The Company has two Wind Turbine Generators (WTGs) installed in Maharashtra and the Green Power generated there from is sold to Maharashtra State Electricity Board.	The WTGs were installed on 31 st March, 2008 and are operational since then.

S. No.	Additional Investment – proposal for the year 2016 – 17	Impact (expected savings per annum)
1.	To install a state of the art Chiller Operation Optimization System, namely 'Demand Flow' from Siemens	Rs. 96 lac

B. TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- ii) During the year under review, foreign exchange earnings amounted to Rs. 127.06 crore (Rs. 126.11 crore in the prior year) against which the outgo in foreign exchange was equivalent to Rs. 62.84 crore (Rs. 58.64 crore in the prior year).
- iii) Details of foreign exchange earnings and outgo are given at Note 32 to the Financial Statements.

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'C' FORMING PART OF THE DIRECTORS' REPORT

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

1. **Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2016:**

Name of the Director	Nature of Directorship	Ratio
Mr. Shiv Kumar Jatia	Chairman & Managing Director	48.29:1
Ms. Anita Thapar	Executive Director - Administration & Corporate Co-ordination	6.12:1

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

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

Name of the Director / KMP	Office held	Increase / (Decrease) (%)
Mr. Shiv Kumar Jatia	Chairman & Managing Director	(13.78)
Ms. Anita Thapar	Executive Director - Administration & Corporate Co-ordination	N.A.#
Mr. Prakash Chandra Sharma	Chief Financial Officer	N.A.#
Mr. Dinesh Kumar Jain	Company Secretary	9.42

#Appointed as KMP during the year under review; Ms. Anita Thapar effective 28th May, 2015; and Mr. Prakash Chandra Sharma effective 21st September, 2015.

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

The sitting fee payable to the non-executive directors for attending the meetings of the Board or Committees thereof was increased from Rs. 12,000/- to Rs. 20,000/- for each meeting with effect from 11th February, 2016.

3. **The percentage increase in the median remuneration of employees in the financial year:** 7.90%
4. **The number of permanent employees on the rolls of Company as on 31st March, 2016:** 628
5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase in salary of all employees (other than the Managing Director) during the year under review is 7.07%.

Ms. Anita Thapar was appointed as an executive director only during the year under review and any increase in her salary was due only effective 1st June, 2016. There was a decrease in the salary of the Managing Director by 13.78%.

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

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

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'D' FORMING PART OF THE DIRECTORS' REPORT

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

S. NO.	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (RS.)	QUALIFICATION	EXPERIENCE (YRS.)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD/ DESIGNATION/ PERIOD
TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN								
1	Aseem Kapoor	48	General Manager – Hyatt Regency Delhi	1,79,76,580	Hotel Management Graduate	26	27.05.2013	General Manager, Hyatt Regency Mumbai
2	Jyoti Subarwal	63	President – Finance & Operations	1,62,43,276	F.C.A.	37	01.08.1983	Mohinder Puri & Co., Chartered Accountants, New Delhi, Audit Manager (5 Yrs.)
3	Shiv Kumar Jatia	63	Chairman and Managing Director	1,39,80,186	B.COM	43	10.04.1981	Industrialist
4	Marin Leuthard	44	Executive Chef – Hyatt Regency Delhi	1,08,97,494	Degree in Cooking Skills	30	01.12.2012	Executive Chef, Grand Hyatt Muscat
5	Deepak Gupta	39	General Manager - Finance	66,88,689	B.Com(H), A.C.A.	17	01.08.2007	Wel Intertrade Private Limited, Financial Controller (7 Yrs. 8 months)
6	Dinesh Kumar Jain	56	Vice President (Corporate) & Company Secretary	51,15,462	B.Com(H), F.C.S.	37	27.06.2006	RayBan Sun Optics India Limited, Company Secretary & Legal Manager (6 Yrs.)
7	Nilanjana Gupta	45	Director of Sales & Marketing	48,54,376	Bachelor of Bio Science	16	09.12.2013	The Oberoi Trident, Nariman Point Mumbai, Director of Sales & Marketing
8	Narottam Sharma	57	Director of Materials	43,50,353	B.Com	35	21.11.1981	-
9	Vipin Vasudeva	53	Vice President - Projects	41,91,629	B.E. (Civil)	30	15.01.2010	Magus Estates and Hotels Limited, Vice President - Projects (5 Yrs.)
10	Somnath Dey	38	EAM - Food & Beverage	41,04,032	Bachelor of Business Administration	19	01.03.2006	The Taj Bengal Kolkata, Assistant Manager
EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION NOT LESS THAN RS. 102 LAC								
1	Aseem Kapoor	48	General Manager – Hyatt Regency Delhi	1,79,76,580	Hotel Management Graduate	26	27.05.2013	General Manager, Hyatt Regency Mumbai
2	Shiv Kumar Jatia	63	Chairman and Managing Director	1,39,80,186	B.COM	43	10.04.1981	Industrialist
EMPLOYED FOR A PART OF THE YEAR AND IN RECEIPT OF REMUNERATION NOT LESS THAN RS. 8.50 LAC PER MONTH								
1	Jyoti Subarwal	63	President – Finance & Operations	1,62,43,276	F.C.A.	37	01.08.1983	Mohinder Puri & Co., Chartered Accountants, New Delhi, Audit Manager (5 Yrs.)
2	Marin Leuthard	44	Executive Chef – Hyatt Regency Delhi	1,08,97,494	Degree in Cooking Skills	30	01.12.2012	Executive Chef, Grand Hyatt Muscat

Notes:

- 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, and Ex-gratia payment. No commission is payable for the year under review to the Managing Director due to the loss incurred. Remuneration paid to Mr. Jyoti Subarwal includes gratuity and leave encashment on cessation.
- Appointment of Mr. Shiv Kumar Jatia, Mr. Aseem Kapoor and Mr. Marin Leuthard are on contractual basis.
- None of the above-named employee is a relative of any Director of the Company, except Mr. Shiv Kumar Jatia, who is the father of Mr. Amrithesh Jatia and husband of Mrs. Archana Jatia (since resigned).
- During the year under review, Mr. Aseem Kapoor, General Manager-Hyatt Regency Delhi and Mr. Jyoti Subarwal, President – Finance & Operations were paid remuneration which was in excess of the remuneration paid to the Managing Director. None of them together with their respective spouse and / or dependent children hold shares which are not less than two percent of the equity shares of the Company.

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'E' FORMING PART OF THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

BOARD OF DIRECTORS

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

During the year under review, Mrs. Archana Jatia resigned from the office of director effective 17th April, 2015. However, the vacancy so caused was filled up in the first Board meeting held after her resignation, i.e. on 28th May, 2015, when Ms. Anita Thapar was appointed as an additional director. Since Ms. Thapar was already in the employment of the Company, she, as a consequence of being appointed as a director, became a whole-time director and was designated as Executive Director – Administration & Corporate Co-ordination, liable to retire by rotation; and the said appointment was approved by the shareholders in the previous annual general meeting.

Accordingly, the Board's constitution during the year under review was in compliance with the provisions of the Companies Act, 2013 (the Act) and the Listing Agreement and/or the Listing Regulations.

Further, subsequent to the completion of the year under review, the Board in its meeting held on 27th May, 2016, appointed Mr. Pinaki Misra as an Additional Director in the capacity of an independent non-executive director, in pursuance of Section 161(1) read with Section 149(6) of the Act.

The Company follows the prescribed Board procedures and furnishes detailed notes in advance on the businesses to be dealt with at the Board Meetings in terms of Regulation 17 of the Listing Regulations. The Board has been meeting regularly ensuring that the gap between two consecutive meetings does not exceed one hundred and twenty days. The Company was generally in compliance with the requirements of Clause 49 of the Listing Agreement and / or Regulation 17 of the Listing Regulations, as applicable at the relevant time.

During the year under review, seven Board meetings were held, i.e. on 28th May, 2015, 12th August, 2015, 21st September, 2015, 2nd November, 2015, 15th December, 2015, 11th February, 2016 and 23rd March, 2016.

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

S. No.	Name of the Director@	Category	Board meetings attended vis-à-vis meetings held during their respective tenure including the meeting in which appointed	Last AGM attended: 21 st September, 2015	No. of Directorships held in private companies ^	No. of Directorships held in public companies^	No. of Committee memberships in public companies ^ #	No. of Chairmanship in such Committees ^ #
1.	Mr. Shiv Kumar Jatia	Executive [Chairman & Managing Director] & Promoter Director	7 of 7	YES	15	4	4	1
2.	Dr. Lalit Bhasin	Independent Non-Executive Director	7 of 7	YES	0	11	10	4
3.	Mr. Gautam Ramanlal Divan	Independent Non-Executive Director	6 of 7	YES	5	1	2	0
4.	Mr. Dinesh Chandra Kothari	Independent Non-Executive Director	2 of 7	NO	8	4	4	1
5.	Mr. Priya Shankar Dasgupta	Independent Non – Executive Director	2 of 7	NO	10	9	7	2
6	Mr. Dipendra Bharat Goenka	Non – Executive & Promoter Director	None of 7	NO	0	1	0	0
7.	Mr. Amrutesh Jatia	Non – Executive & Promoter Director	3 of 7	YES	1	3	0	0
8.	Mrs. Archana Jatia	Non - Executive & Promoter Director	N.A.*	N.A.	N.A.	N.A.	N.A.	N.A.
9.	Ms. Anita Thapar	Executive Director – Administration & Corporate Co-ordination	7 of 7^^	NO	2	5	1	0

ASIAN HOTELS (NORTH) LIMITED

@ Inter-se relationship of directors: Mr. Amritesh Jatia is son of Mr. Shiv Kumar Jatia and Mrs. Archana Jatia; and Mrs. Archana Jatia is wife of Mr. Shiv Kumar Jatia and mother of Mr. Amritesh Jatia.

^ Reflects status as per the latest declarations received from the directors for the FY 2016-17. Includes directorship/membership/chairmanship of the Board/ Committees of Asian Hotels (North) Limited, and excludes foreign bodies corporate.

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

* Mrs. Archana Jatia resigned with effect from 17th April, 2015.

^^ Includes the meeting (held on 28th May, 2015) during which Ms. Anita Thapar was appointed as a whole-time director designated as Executive Director-Administration & Corporate Co-ordination.

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

COMMITTEES OF DIRECTORS

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

a) Audit Committee:

In pursuance of the provisions of Section 177 and other applicable provisions of the Act read with Regulation 18 and other applicable provisions of the Listing Regulations, the powers, roles, responsibilities and terms of reference of the Audit Committee were re-defined by the Board in its meeting held on 11th February, 2016. The Committee comprises of four members namely Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Gautam Ramanlal Divan, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, Managing Director. The Chief Financial Officer of the Company and the Audit Partner/ representative(s) of the Statutory Auditors are the permanent special invitees to the committee meetings unless otherwise decided by the Committee. The terms of reference of the Committee, its role and powers are in consonance with the provisions of Section 177 and other applicable provisions of the Act read with Regulation 18 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time, and that its business and meetings are conducted in terms of the above-referred provisions. Two members being independent non-executive directors form the quorum.

Dr. Bhasin, an eminent lawyer, is the elected Chairman of the Audit Committee. He is chairman/member of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of several listed companies. Both Mr. Kothari and Mr. Divan are Chartered Accountants, and have rich experience in financial restructuring, and accounting and assurance services. Mr. Kothari is member of Audit Committee of some prominent companies. Mr. Shiv Kumar Jatia, Chairman & Managing Director of the Company is an industrialist of high repute and has rich business experience in managing many private and public listed companies.

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

During the year under review, four meetings of the Committee were held respectively on 28th May, 2015, 12th August, 2015, 2nd November, 2015 and 11th February, 2016. The attendance of the member directors at the Audit Committee meetings is as under:

<i>Name of the Director</i>	<i>Category</i>	<i>No. of Meetings Attended</i>
Dr. Lalit Bhasin	Independent Non-Executive	4 of 4
Mr. Dinesh Chandra Kothari	Independent Non-Executive	2 of 4
Mr. Gautam Ramanlal Divan	Independent Non-Executive	4 of 4
Mr. Shiv Kumar Jatia	Executive & Promoter Director	4 of 4

b) Stakeholders' Relationship Committee:

Consequent to the resignation effective 21st March, 2015, by Dr. Lalit Bhasin, the Stakeholders' Relationship Committee had only two members at the beginning of the year under review, namely Mr. Dinesh Chandra Kothari, an Independent Non-Executive Director, as its Chairman and Mr. Shiv Kumar Jatia, Managing Director. Later, the Board in its Meeting held on 28th May, 2015 re-constituted the Stakeholders' Relationship Committee and co-opted Mr. Gautam Ramanlal Divan, an independent non-executive director and Ms. Anita Thapar, Executive Director – Administration & Corporate Co-ordination as members.

Subsequent to the introduction of the Listing Regulations, the Board in its meeting held on 11th February, 2016 adopted the powers, roles, responsibilities and terms of reference of the Stakeholders' Relationship Committee, as are defined in and conforms to the provisions of Section 178 and other applicable provisions of the Act read with Regulation 20 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time.

The Committee's primary responsibility is to supervise redressal of shareholders' grievances. It acts as a catalyst for matters concerning shareholders and is quite proactive in its approach. The Committee met four times during the year under review. The Company received 31 complaints during the year, which were appropriately resolved and/or replied to. None of the investor complaints is lying unresolved or unattended at the year end.

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

c) Nomination and Remuneration Committee:

Subsequent to the introduction of the Listing Regulations, the Board in its meeting held on 11th February, 2016, re-defined the powers, roles, responsibilities and terms of reference of the Nomination and Remuneration Committee, which are defined in and conforms to

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the provisions of Section 178 and other applicable provisions of the Act read with Regulation 19 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time. The Committee comprises of three independent non-executive directors, viz. Dr. Lalit Bhasin, as Chairman of the Committee, and Mr. Dinesh Chandra Kothari and Mr. Gautam Ramanlal Divan as its members. Any two members form the quorum. The Company Secretary acts as the Secretary to the Committee.

During the year under review, three meetings of the Committee were held i.e. on 23rd April, 2015, 28th May, 2015 and 21st September, 2015. The attendance of the member directors at the Nomination and Remuneration Committee meetings is as under:

<i>Name of the Director</i>	<i>Category</i>	<i>No. of Meetings Attended</i>
Dr. Lalit Bhasin	Independent Non-Executive	3 of 3
Mr. Dinesh Chandra Kothari	Independent Non-Executive	2 of 3
Mr. Gautam Ramanlal Divan	Independent Non-Executive	2 of 3

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

d) Corporate Social Responsibility (CSR) Committee:

The CSR Committee, constituted under Section 135 of the Act, comprises Mr. Shiv Kumar Jatia, Managing Director, who chairs the Committee meetings, and Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, and Mr. Gautam Ramanlal Divan, Independent Non-executive Directors. Quorum for the Committee meetings is two members.

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

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

During the year under review, two meetings of the Committee took place, which were attended by all the members.

DIRECTORS' REMUNERATION

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

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

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

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

FEES & REMUNERATION (in Rs.)				
<i>Name of Director</i>	<i>Sitting Fees^{^^}</i>	<i>Salary & Perks</i>	<i>Commission</i>	<i>Total</i>
Mr. Shiv Kumar Jatia [^]	0	1,39,80,186	0	1,39,80,186
Dr. Lalit Bhasin	2,24,000	0	0	2,24,000
Mr. Gautam Ramanlal Divan	1,80,000	0	0	1,80,000
Mr. Dinesh Chandra Kothari	1,08,000	0	0	1,08,000
Mr. Priya Shankar Dasgupta	24,000	0	0	24,000
Mr. Amritesh Jatia	72,000	0	0	72,000
Mr. Dipendra Bharat Goenka	0	0	0	0
Mrs. Archana Jatia [*]	N.A.	N.A.	N.A.	N.A.
Ms. Anita Thapar [#]	0	17,71,611	0	17,71,611
Grand Total	6,08,000	1,57,51,797	0	1,63,59,797

^{^^}Excluding Service Tax

[^] Previous five years tenure completed on 9th April, 2016; re-appointed from 10th April, 2016 to 31st March, 2019 in the previous AGM.

^{*} Resigned effective 17th April, 2015

[#] Appointed as an executive director with effect from 28th May, 2015

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OTHER BOARD RELATED DISCLOSURES

Exclusive Meeting of the Independent Directors of the Company

An exclusive meeting of the independent directors was held on 27th May, 2016 (previous meeting held on 8th March, 2015), to inter-alia review the performance of non-independent directors and the Board as a whole, to review the performance of the chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board. Only Dr. Lalit Bhasin and Mr. Gautam Ramanlal Divan could attend the meeting held on 27th May, 2016.

Familiarization Programme for Independent Directors

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

<http://www.asianhotelnorth.com/pdf/PolicyonFamiliarisationProgrammeforIndependentDirectors.pdf>

A Familiarization Programme was conducted on 11th February, 2016, for the benefit of the independent directors, which was attended by Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Gautam Ramanlal Divan. The details of such Familiarisation Programme have been uploaded on the website of the Company and can be accessed at:

<http://www.asianhotelnorth.com/pdf/Details%20of%20Familiarisation%20Programme%20Conducted.pdf>

The Company has issued formal letters of appointment to its independent directors as was required under Clause 49 of the Listing Agreement and Schedule IV to the Act. General terms and conditions of appointment of independent directors are available on the website of the Company and can be accessed at:

<http://www.asianhotelnorth.com/pdf/TermsConditionsofAppointmentofIndependentDirectors.pdf>

Shareholding of Non-Executive Directors

As on 31st March, 2016, Mr. Gautam Ramanlal Divan held 1 equity share (equivalent to 0% of the total outstanding capital). None of the other non-executive directors held any equity share in the Company as of that date.

GENERAL BODY MEETINGS

<i>Financial Year</i>	<i>Nature of Meeting</i>	<i>Venue</i>	<i>Date</i>	<i>Time</i>
2012-13	AGM#	Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi- 110066	25.09.2013	11.30 a.m.
2013-14	AGM^	-do-	30.09.2014	11.30 a.m.
2014-15	AGM@	-do-	21.09.2015	11.30 a.m.

There was no item requiring approval by special resolution.

^ A special resolution was placed before, and was approved by the shareholders, u/s 197 of the Act for payment of remuneration by way of commission to the non-executive directors of the Company for a period of five years with effect from 1st April, 2014. This resolution was not required to be put through a postal ballot.

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

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

During the year under review, no special resolution was passed through postal ballot and there is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing annual general meeting require passing a resolution through postal ballot.

SUBSIDIARY COMPANIES

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

At the beginning of the year under review, the Company was holding 100% stake (10,000 equity shares of Rs. 10/- each) in Newtown Hospitality Private Limited including one share held through Chairman & Managing Director of the Company as nominee. However, during the year under review, the Company divested its entire shareholding, and consequently it ceased to be the Company's subsidiary with effect from 27th July, 2015.

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

In terms of the 'Policy for Determining Material Subsidiaries' adopted by the Board of Directors of the Company and based on the financial results of the respective subsidiaries for the financial year 2015-16, the Board of Directors in its meeting held on 27th May, 2016, ascertained that Leading qualifies as the material subsidiary. Leading has co-opted one of the independent directors of the Company namely, Dr. Lalit Bhasin on its Board. Dr. Bhasin is the chairman of Leading's Board and Audit Committee.

MATERIAL DISCLOSURES

Code of Conduct

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

Conflict of Interest

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

Independence of Directors

During the year under review, all independent non-executive directors have confirmed and submitted declaration to the effect that they meet the criteria of independence as laid down under Section 149 and other applicable provisions of the Act read with relevant regulations of the Listing Regulations. Subsequent to the year under review, Mr. Pinaki Misra was appointed as an independent non-executive director effective 27th May, 2016, and has also submitted a declaration to that effect. Reliance was placed on these confirmations/declarations while ascertaining the adequacy of number of independent directors for the purposes of compliance with Regulation 17 and other applicable regulations of the Listing Regulations.

Related Party Transactions

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

There were no materially significant related party transactions that may have had potential conflict with the interest of the Company at large. Details of related party transactions i.e. transactions of the Company with its promoters, directors, key managerial personnel or their relatives and subsidiaries of the Company are detailed under Note 29 to the Stand-alone Financial Statements. The Board certifies that these transactions are in the ordinary course of business, and are on an arm's length basis. These transactions have been approved by the Audit Committee and the Board of Directors from time to time.

Policy for Determining Material Subsidiaries

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

Legal Compliances

Timely compliance of multifarious and complex regulatory framework is always a challenge. Compliance status of all applicable laws is reviewed by the Board on quarterly basis. In the opinion of your Directors, there has been no significant non-compliance by the Company during the last three years in general, more-so in terms of Clause 7(ii) of Annexure XII to the Listing Agreement or Para C(10)(b) and Para C(13) of Schedule V to the Listing Regulations.

Risk Assessment and Minimization Procedures

The Company's Board is conscious of the need to periodically undertake the risk assessment and minimization procedures there-for. Subsequent to the year under review, the Board in its meeting held on 13th May, 2016, had approved and adopted a 'Risk Analysis Report as of 31st March, 2016' delineating the mitigating factors in respect of various risk factors identified therein. Further, in its meeting held on 27th May, 2016, the Board noted that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

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

Whistle Blower Policy/ Vigil Mechanism

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

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

ASIAN HOTELS (NORTH) LIMITED

Code on Insider Trading / Fair Disclosures

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

'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', which forms part of the aforesaid Code, is uploaded on the website of the Company and can be accessed at:

<http://www.asianhotelnorth.com/pdf/CodeofFairDisclosure.pdf>

Disclosure on Accounting Treatment / Accounting Policies

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

Disclosure on Foreign Exchange Risk / Hedging Activities

Details of derivative contracts entered into with DBS Bank Limited prior to the commencement of the year under review in respect of the External Commercial Borrowings availed by the Company from the said Bank but effective for and covering the financial year 2015-16 or part thereof, are as under:

Nature of Contract	Particulars	Currency	Contract value as on 01.04.2015	Outstanding contract value as on 31.03.2016
Principal Contract	Currency Swap – SGD to USD	USD	18082593	17350679
Coupon Swap	SGD to USD	USD	14625729	10969297
Option Premium	USD – SGD Option	SGD	19552163	13536112
LIBOR Fixed	USD Interest Rate Floating to Fixed Rate Swap	USD	14137500	9787500
Principal Contract	Currency Swap – SGD to USD	USD	41605000	36305000
Coupon Swap	SGD to USD	USD	41605000	36305000
LIBOR Fixed	USD Interest Rate Floating to Fixed Rate Swap*	USD	39750000	-
LIBOR Fixed	USD Interest Rate Floating to Fixed Rate Swap*	USD	9072375	-

*Contracts expired during the year under review

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

Details of un-hedged foreign currency exposure of the Company are detailed under Note 34(b) to the Stand-alone Financial Statements.

CEO/CFO Certification

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

SHAREHOLDERS' INFORMATION

Means of Communication

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

ASIAN HOTELS (NORTH) LIMITED

Annual General Meeting

Day, Date & Time: Thursday, the 29th September, 2016 at 11:30 a.m.
Venue: Regency Ball Room
Hyatt Regency Delhi
Bhikaji Cama Place, M.G. Marg
New Delhi – 110 066

Financial Year/Calendar

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

The calendar for the current financial year 2016-17 is proposed as under:

Financial Reporting for the quarter ending 30 th June, 2016	On 8 th August, 2016
Financial Reporting for the half year ending 30 th September, 2016	On or before 14 th November, 2016
Financial Reporting for the third quarter ending 31 st December, 2016	On or before 14 th February, 2017
Financial Reporting for the year ending 31 st March, 2017	On or before 30 th May, 2017

Book Closure	From Saturday, the 24th September, 2016, to Thursday, the 29th September, 2016 (inclusive of both days)
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Dividend Payment Date The Company does not propose to pay any dividend for the year under review.

Listing on Stock Exchanges

BSE Limited
Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001; and

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

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

Scrip Code/Scrip ID

BSE - 500023/ASIANHOT
NSE - 233/ASIANHOTNR

International Securities Identification Number (ISIN) for Equity shares

INE 363A 01022

Stock Market Data

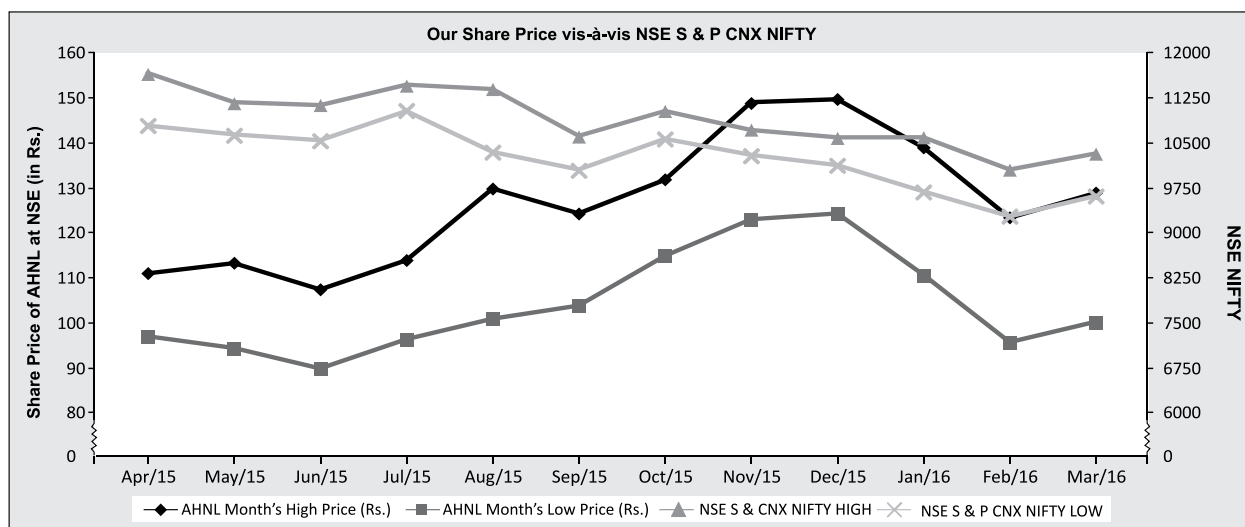
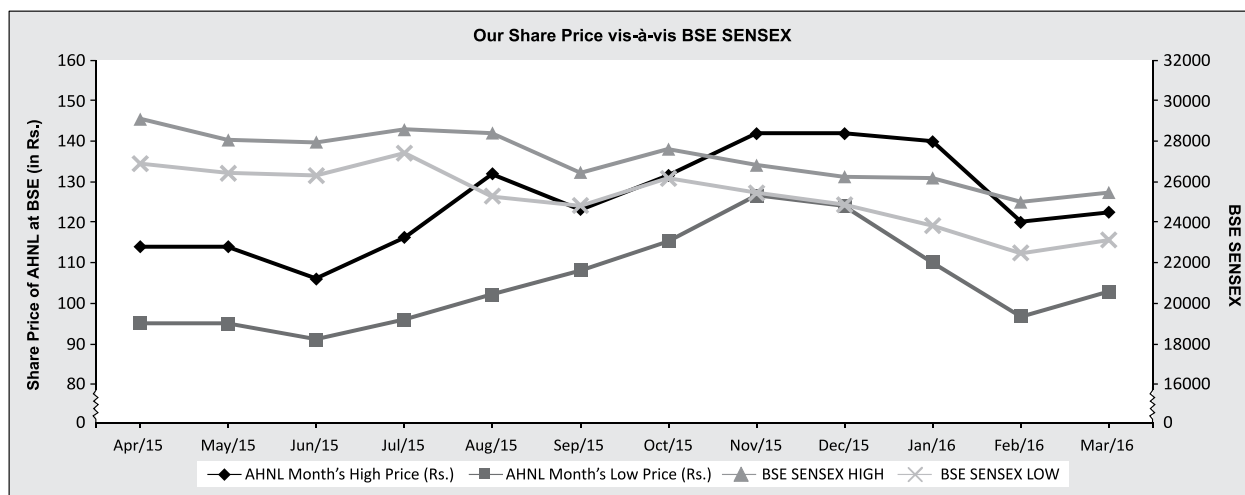
The monthly high and low quotations, as well as the volume of shares traded at BSE Limited and The National Stock Exchange of India Limited are as follows:

Month	BSE Limited			The National Stock Exchange of India Limited		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
Apr 2015	114.00	95.20	11226	111.10	97.10	17108
May 2015	114.00	95.00	17818	113.40	94.30	26246
Jun 2015	106.00	91.00	11545	107.50	90.00	24143
Jul 2015	116.30	96.00	129920	114.00	96.25	182453
Aug 2015	132.00	102.10	24873	129.90	101.00	229826
Sep 2015	123.20	108.20	16124	124.35	103.80	75443
Oct 2015	131.60	115.30	17008	131.95	114.95	71041
Nov 2015	141.90	126.60	40098	148.90	123.00	76616
Dec 2015	141.90	124.10	39823	149.80	124.35	183100
Jan 2016	139.90	110.20	9305	139.05	110.50	51435
Feb 2016	120.00	96.80	10873	123.50	95.65	75092
Mar 2016	122.50	102.90	75797	129.00	100.10	38211

Source-www.bseindia.com & www.nseindia.com

ASIAN HOTELS (NORTH) LIMITED

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



Distribution of shareholders

Number of equity shares held	As on 31st March, 2016				As on 31st March, 2015			
	No. of Shareholders	% of Total Shareholders	Number of shares held	% Share holding	No. of Shareholders	% of Total Shareholders	No. of shares held	% Share holding
Up-to 500	14586	96.31	841277	4.32	15533	96.38	894587	4.60
501 – 1000	291	1.92	208696	1.07	316	1.96	230197	1.18
1001 – 2000	116	0.77	169285	0.87	124	0.77	176657	0.91
2001 – 3000	35	0.23	89221	0.46	45	0.28	112098	0.58
3001 – 4000	26	0.17	91810	0.47	22	0.14	77905	0.40
4001 – 5000	15	0.10	71418	0.37	13	0.08	59217	0.30
5001 – 10000	19	0.12	133758	0.69	18	0.11	130611	0.67
10001 above	57	0.38	17847764	91.75	45	0.28	17771957	91.36
TOTAL	15145	100.00	19453229	100.00	16116	100.00	19453229	100.00

ASIAN HOTELS (NORTH) LIMITED

Category wise shareholding

CATEGORY	As on 31st March, 2016		As on 31st March, 2015	
	No. of shares held	% of shareholding	No. of shares held	% of shareholding
A. Promoters Shareholding				
- Indian	4270691	21.95	3253191	16.72
- Foreign	9830025	50.53	10847525	55.76
Total Promoters shareholding	14100716	72.49	14100716	72.49
B. Public Shareholding				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	109353	0.56	258392	1.33
- FII's	2919	0.01	2919	0.01
- NRIs	589282	3.03	573097	2.95
- Bodies Corporate (Domestic)	782002	4.02	963212	4.95
- Bodies Corporate (Foreign)	690802	3.55	690802	3.55
- Individuals (Indian Public)	3177932	16.34	2862579	14.72
- Clearing Members	223	0.00	1512	0.01
Total Public shareholding	5352513	27.51	5352513	27.51
GRAND TOTAL	19453229	100.00	19453229	100.00

Share Transfer System

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

- Stakeholders' Relationship Committee comprising of Directors; and
- Executive Share Transfer Committee comprising of executives of the Company.

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

Share Transfer Agent

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

Dematerialization of Shares / liquidity

19152095 shares (equivalent to 98.45%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March, 2016. During the year under review, the Company's shares were not frequently traded in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Dividend Information

Dividend amount which remains unpaid / unclaimed for a period of seven years in terms of Section 205A and other applicable provisions of the Companies Act, 1956 is liable to be transferred by the Company to the credit of Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C thereof.

Accordingly, unclaimed and unpaid amount pertaining to the final dividend declared for the financial year 2007-08 has been transferred to IEPF.

Attention of the members is also drawn to the fact that the next two lots of unpaid/unclaimed dividends, which are due for transfer to IEPF during the calendar year 2017, pertain to the following financial periods. Once transferred, no claim shall lie against the Company or the Central Government in this regard.

ASIAN HOTELS (NORTH) LIMITED

Financial Year/Period	Date by which claim should be lodged	Due date for transfer to IEPF
Dividend for the eighteen month period ended 30 th September, 2009	15.03.2017	18.04.2017
Dividend for the six month period ended 31 st March, 2010	25.09.2017	28.10.2017

Shareholders who have, so far, not received and/or encashed the dividend warrant(s) are advised to write to the Company or to the Registrar & Transfer Agent requesting for fresh warrants by providing details of their Folio No./Client ID No., No. of shares held by them etc.

The Company has uploaded the details of Unpaid/unclaimed dividend on the official website of the Ministry of Corporate Affairs and also on its own website, in terms of Notification No. G.S.R. No. 352(E) dated 10th May, 2012, issued by the said Ministry.

Plant Location

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

HOTEL HYATT REGENCY DELHI

Bhikaiji Cama Place,
M. G. Marg, New Delhi -110 066

Address for Correspondence

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

Registered Office

ASIAN HOTELS (NORTH) LIMITED

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

Adoption of Non-Mandatory Requirements as specified in sub-regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations

The Company has so far not implemented any non-mandatory requirement as specified in sub regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations. The Company endeavors to explore adoption and implementation of certain provisions contained therein.

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

Date: 8th August, 2016

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

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

Dear Sirs/ Madam,

This is to certify that pursuant to Para D of Schedule V and other applicable regulations of the Listing Regulations, the Board of Directors has adopted a Code of Conduct for its members and senior management personnel and that all concerned have affirmed having complied with the said Code of Conduct for the financial year ended 31st March, 2016.

SHIV KUMAR JATIA
CHAIRMAN & MANAGING DIRECTOR
DIN 00006187

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'F' FORMING PART OF THE DIRECTORS' REPORT

To
The Members of
Asian Hotels (North) Limited

We have examined the compliance of the mandatory conditions of Corporate Governance by Asian Hotels (North) Limited ('the Company'), for the year ended on March 31, 2016 as stipulated in clause 49 of the Listing Agreement with the concerned Stock Exchanges in India / SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ('the Listing Regulations').

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the provisions mentioned herein-above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement and Regulations 17 to 27 of the 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, Dhirubhai Shah & Doshi
Chartered Accountants
FRN: 102511W

Place : New Delhi
Date : 8th August, 2016

Kaushik D Shah
Partner
Membership No: 016502

ANNEXURE 'G' FORMING PART OF THE DIRECTORS' REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

PHILOSOPHY

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

GOVERNING LAW

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

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

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

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

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

- a) on its own, as projects or programmes or activities, either new or ongoing, to the exclusion of activities undertaken in pursuance of its normal course of business;
and/or
- b) through a registered trust or a registered society or a company established under Section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate company, or along with any other company or holding or subsidiary or associate company of such other company, or otherwise.

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

CSR COMMITTEE AND ITS RESPONSIBILITIES

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

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

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

DESIGNATED CSR ACTIVITIES

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

- (i) *eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;*
- (ii) *promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;*
- (iii) *promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;*
- (iv) *ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;*
- (v) *protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;*

- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) rural development projects;
- (xi) slum area development.

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

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

EXECUTION PLAN / GOVERNANCE

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

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

MISCELLANEOUS PROVISIONS

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

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'H' FORMING PART OF THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

2. The composition of the CSR Committee:

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

Dr. Lalit Bhasin, Independent Non-Executive Director

Mr. Dinesh Chandra Kothari, Independent Non-Executive Director

Mr. Gautam Ramanlal Divan, Independent Non-Executive Director

3. Average net profit of the Company for the last three financial years: **The average net profit during the financial years from 2012-13 to 2014-15 works out to Rs. (3,12,09,482).**

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

5. Details of CSR spent during the financial year 2015-16:

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

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

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

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2)Specify the State and district where projects or programs was undertaken	Amount outlay (Budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1	Project ANANDA launched by Action for Autism, a Non-profit organization	Promoting health care including preventive health care and sanitation	District Gurgaon, Haryana	An amount of Rs. 59,45,440/- was committed during FY 2014-15 out of which Rs. 15,00,000/- was spent in that year, rest was provided for.	During the year under review, a further amount of Rs. 16,00,000/- was spent out of the amount committed and provided for, based on the progress of the said project.	Rs. 31,00,000/-	Spent through the implementing agency, Action for Autism

(d) Details of the implementing agency:

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

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Directors' Report:

Since the average net profit for the three financial years from 2012-13 to 2014-15 worked out to be negative, the Company was not obliged to make any contribution towards CSR activities for the financial year 2015-16. Hence, no fresh project/activity was undertaken during the year under review.

ASIAN HOTELS (NORTH) LIMITED

Action for Autism (AFA), a Non-profit organization has been allotted ten acres of land in Gurgaon by the State Government of Haryana for a residential project for people with Autism Spectrum Disorder. The Company, as part of its CSR activities for the year 2014-15 had decided to support AFA to build the ground floor of one of the cottages to be used as student accommodation at an estimated cost of Rs. 59,45,440/- and had committed to release this amount in four installments. Based on the progress made in the said project, the Company has so far paid Rs. 31,00,000/- only. Though the Company stands committed to the project, the balance installments shall be released only on the basis of progress made by the project which is already way behind schedule.

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

7. Responsibility Statement by the Corporate Social Responsibility Committee:

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

For and on behalf of the Board

Place: New Delhi
Dated: 8th August, 2016

Shiv Kumar Jatia
Chairman & Managing Director
DIN: 00006187

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'I' FORMING PART OF THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2016

of

Asian Hotels (North) Limited

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Hotel Operations	55101	99.04

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

ASIAN HOTELS (NORTH) LIMITED

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2015]				No. of Shares held at the end of the year [As on 31.03.2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2668027	0	2668027	13.72	2668027	0	2668027	13.72	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	585164	0	585164	3.01	1602664	0	1602664	8.24	5.23
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	3253191	0	3253191	16.72	4270691	0	4270691	21.95	5.23
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	10847525	0	10847525	55.76	9830025	0	9830025	50.53	-5.23
c) Institutions	0	0	0	0	0	0	0	0	0
d) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	10847525	0	10847525	55.76	9830025	0	9830025	50.53	-5.23
Total shareholding of promoters (A) =(A)(1) + (A)(2)	14100716	0	14100716	72.49	14100716	0	14100716	72.49	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	195	230	425	0.00	195	230	425	0.00	0
b) Banks / FI	226395	137	226532	1.16	77356	137	77493	0.40	-0.77
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	25005	265	25270	0.13	25005	265	25270	0.13	0
g) FIIs	34	385	419	0.00	34	385	419	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
UTI	0	6165	6165	0.03	0	6165	6165	0.03	0
Foreign Portfolio Investor	2500	0	2500	0.01	2500	0	2500	0.01	0
Sub-total (B)(1):	254129	7182	261311	1.34	105090	7182	112272	0.58	-0.77
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	956869	5106	961975	4.95	771739	5071	776810	3.99	-0.95
ii) Overseas	690802	0	690802	3.55	690802	0	690802	3.55	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1152945	229659	1382604	7.11	1233863	219825	1453688	7.47	0.37

ASIAN HOTELS (NORTH) LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2015]				No. of Shares held at the end of the year [As on 31.03.2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1479592	0	1479592	7.61	1723861	0	1723861	8.86	1.26
c) Others (specify)									
Non Resident Indians	501984	71113	573097	2.95	520296	68986	589282	3.03	0.08
Clearing Members	1512	0	1512	0.01	223	0	223	0	-0.01
Trusts	313	70	383	0	313	70	383	0	0
NBFCs	1237	0	1237	0.01	5192	0	5192	0.03	0.02
Sub-total (B)(2):	4785254	305948	5091202	26.17	4946289	293952	5240241	26.94	0.77
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5039383	313130	5352513	27.51	5051379	301134	5352513	27.51	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	19140099	313130	19453229	100.00	19152095	301134	19453229	100.00	0

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2015]			Shareholding at the end of the year [As on 31.03.2016]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Fineline Holdings Limited, Mauritius	5510645	28.33	100.00	4493145	23.10	100.00	-5.23
2	Yans Enterprises (H.K.) Ltd, Mauritius	5336880	27.43	100.00	5336880	27.43	100.00	0
3	Shiv Kumar Jatia	2668027	13.72	98.68	2668027	13.72	89.58	0
4	Asian Holdings Pvt. Ltd.	585164	3.01	99.98	1602664	8.24	99.84	5.23

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	14100716	72.49	14100716	72.49
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	#		#	
	At the end of the year	14100716	72.49	14100716	72.49

Note: # There is no change in the overall Promoters' shareholding between 01.04.2015 and 31.03.2016. However, there were Inter-se transfers amongst Promoters which are tabulated below:

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S. No	Name	Shareholding		Date of shareholding/ transaction	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Fineline Holdings Limited, Mauritius	5510645	28.33	01.04.2015				
				15.07.2015	740000	Sale / Transfer (inter-se transfer)	4770645	24.52
				23.09.2015	277500		4493145	23.10
		4493145	23.10	31.03.2016				
2	Asian Holdings Pvt. Ltd.	585164	3.01	01.04.2015				
				15.07.2015	740000	Acquisition / Transfer (inter-se transfer)	1325164	6.81
				23.09.2015	277500		1602664	8.24
		1602664	8.24	31.03.2016				

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

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	GEG Investments Pty Ltd.	690802	3.55	01.04.2015	0	No change during the year	690802	3.55
		690802	3.55	31.03.2016				
2	Anita Rajgarhia	549472	2.82	01.04.2015	0	No change during the year	549472	2.82
		549472	2.82	31.03.2016				
3	Radhe Shyam Saraf	410990	2.11	01.04.2015	0	No change during the year	410990	2.11
		410990	2.11	31.03.2016				
4	Rajasthan Global Securities Limited DP Id / Client Id. IN 303719 / 11022352	171000	0.88	01.04.2015				
		(Ceased to be amongst top 10 shareholders effective 17.04.2015)		17.04.2015	171000	Sale/ Transfer	0	0
		(Re-joins top 10 shareholders effective 24.04.2015)		24.04.2015	171000	Acquisition	171000	0.88
		(Finally, ceased to be amongst top 10 shareholders effective 14.08.2015)		14.08.2015	171000	Sale/ Transfer	0	0

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S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
5	Axis Bank Ltd.	148000	0.76	01.04.2015				
	(Ceased to be amongst top 10 shareholders effective 31.07.2015)			31.07.2015	148000	Sale/ Transfer	0	0
6	Makalu Trading Ltd.	136604	0.70	01.04.2015	0	No change during the year	136604	0.70
		136604	0.70	31.03.2016				
7	Yogesh Rasiklal Doshi	125065	0.64	01.04.2015				
				10.04.2015	652		125717	0.65
				01.05.2015	1373	Acquisition	127090	0.65
				08.05.2015	394		127484	0.66
				15.05.2015	305	Sale/ Transfer	127179	0.65
				05.06.2015	420		127599	0.66
				12.06.2015	333	Acquisition	127932	0.66
				26.06.2015	821		128753	0.66
				10.07.2015	1785	Sale/ Transfer	126968	0.65
				17.07.2015	8278		118690	0.61
				31.07.2015	1934		120624	0.62
				04.09.2015	92		120716	0.62
				06.11.2015	1502		122218	0.63
				13.11.2015	408		122626	0.63
				20.11.2015	190	Acquisition	122816	0.63
				04.12.2015	4691		127507	0.66
				11.12.2015	13051		140558	0.72
				18.12.2015	5522		146080	0.75
			25.12.2015	20		146100	0.75	
		146100	0.75	31.03.2016				
8	Surender Kumar Gupta	111998	0.58	01.04.2015				
				15.05.2015	4037		107961	0.55
				12.06.2015	900		107061	0.55
				03.07.2015	3986		103075	0.53
				10.07.2015	2540		100535	0.52
				14.08.2015	10700		89835	0.46
				11.09.2015	10000	Sale/ Transfer	79835	0.41
	(Ceased to be amongst top 10 shareholders effective 30.09.2015)			30.09.2015	5000		74835	0.38
				09.10.2015	406		74429	0.38
				06.11.2015	1596		72833	0.37
			08.01.2016	420	Acquisition	73253	0.38	
			15.01.2016	2332		75585	0.39	

ASIAN HOTELS (NORTH) LIMITED

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
	(Re-joins top 10 shareholders effective 22.01.2016)			22.01.2016	2000	Acquisition	77585	0.40
				12.02.2016	271	Acquisition	77856	0.40
	(Ceased to be amongst top 10 shareholders effective 19.02.2016; re-joins top 10 shareholders effective 26.02.2016)			26.02.2016	9000	Acquisition	86856	0.45
				18.03.2016	4653		91509	0.47
				25.03.2016	4		91513	0.47
				31.03.2016	713	Acquisition	92226	0.47
		92226	0.47	31.03.2016				
9	VIC Enterprises Pvt. Ltd.	109975	0.57	01.04.2015				
	(Ceased to be amongst top 10 shareholders effective 04.03.2016)			04.03.2016	109975	Sale/ Transfer	0	0
10	Nitesh Arjun Thakkar	80284	0.41	01.04.2015				
				15.05.2015	3441	Acquisition	83725	0.43
				22.05.2015	8		83733	0.43
				12.06.2015	1000		84733	0.44
				19.06.2015	2958		87691	0.45
				30.06.2015	826		88517	0.46
				03.07.2015	31		88548	0.46
				10.07.2015	400		88948	0.46
				17.07.2015	350		89298	0.46
				14.08.2015	4500		93798	0.48
				21.08.2015	8100		101898	0.52
				28.08.2015	297		102195	0.53
				11.09.2015	340		102535	0.53
				25.09.2015	1500		104035	0.53
				18.12.2015	5010		Sale/ Transfer	99025
		99025	0.51	31.03.2016				
11	Rajasthan Global Securities Limited DP Id / Client Id. 1204980000159545			17.04.2015	171000	Acquisition	171000	0.88
	(Ceased to be amongst top 10 shareholders effective 24.04.2015)			24.04.2015	171000	Sale/ Transfer	0	0

ASIAN HOTELS (NORTH) LIMITED

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
12	Fourfold Tie Up Private Limited	79185 as on 31.07.2015	0.41					
	Fourfold Tie Up Private Limited ceased to be amongst top 10 shareholders effective 28.08.2015; re-joins top 10 shareholders effective 30.09.2015 & finally ceases to be amongst top 10 shareholders effective 26.02.2016							
13	Rajasthan Global Securities Limited DP Id / Client Id. IN 300724 / 10153429	552 as on 07.08.2015	0.74	14.08.2015	142969	Acquisition	143521	0.74
				21.08.2015	48939	Sale/ Transfer	94582	0.49
				28.08.2015	14097	Sale/ Transfer	80485	0.41
	(Ceased to be amongst top 10 shareholders effective 25.09.2015)			25.09.2015	8762	Sale/ Transfer	71723	0.37
14	Gulrukh Sam Irani	78066 as on 21.08.2015	0.40	28.08.2015	8220	Acquisition	86286	0.44
				04.09.2015	1217	Acquisition	87503	0.45
				11.09.2015	1697	Acquisition	89200	0.46
				18.09.2015	5233	Acquisition	94433	0.49
				25.09.2015	5527	Acquisition	99960	0.51
				09.10.2015	10188	Acquisition	110148	0.57
				20.11.2015	4595	Sale/ Transfer	105553	0.54
				27.11.2015	12086	Sale/ Transfer	93467	0.48
	(Ceased to be amongst top 10 shareholders effective 04.12.2015)			04.12.2015	34227	Sale/ Transfer	59240	0.30
				11.12.2015	11529	Sale/ Transfer	47711	0.25
				18.12.2015	1353	Sale/ Transfer	46358	0.24
				25.12.2015	9502	Acquisition	55860	0.29
				31.12.2015	1164	Acquisition	57024	0.29
				08.01.2016	4072	Acquisition	61096	0.31
				15.01.2016	3914	Acquisition	65010	0.33
				22.01.2016	4673	Acquisition	69683	0.36
				29.01.2016	667	Acquisition	70350	0.36
				05.02.2016	54	Acquisition	70404	0.36
	(Re-joins top 10 shareholders effective 19.02.2016)			19.02.2016	9767	Acquisition	80171	0.41

ASIAN HOTELS (NORTH) LIMITED

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
				26.02.2016	15626	Acquisition	95797	0.49
				04.03.2016	3000	Acquisition	98797	0.51
				11.03.2016	6363	Sale/ Transfer	92434	0.48
		92434	0.48	31.03.2016				
15	Dhaval Arjun Thakkar	78489 as on 18.09.2015	0.40	25.09.2015	778	Acquisition	79267	0.41
		79267	0.41	31.03.2016				
16	Punjab National Bank (Ceased to be amongst top 10 shareholders effective 22.01.2016)	77011 as on 04.12.2015	0.40				77011	0.40
17	Burmans Finvest Private Limited			04.03.2016	109975	Acquisition	109975	0.57
		109975	0.57	31.03.2016				

v) Shareholding of Directors and Key Managerial Personnel

Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
	No. of shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
Shiv Kumar Jatia (Managing Director)	2668027	13.72	01.04.2015	0	No change during the year	2668027	13.72
	2668027	13.72	31.03.2016				
Dr. Lalit Bhasin (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Gautam Ramanlal Divan (Independent Non-executive Director)	1	0	01.04.2015	0	No change during the year	1	0
	1	0	31.03.2016				
Mr. Dinesh Chandra Kothari (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Priya Shankar Dasgupta (Independent Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Dipendra Bharat Goenka (Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Amrithesh Jatia (Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.

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Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
	No. of shares at the beginning (01.04.2015)/ end of the year (31.03.2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
Mrs. Archana Jatia* (Non-executive Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Ms. Anita Thapar~ (Whole-time Director)	10	0	01.04.2015	0	No change during the year	10	0
	10	0	31.03.2016				
Mr. Jyoti Subarwal# (Chief Financial Officer)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Dinesh Kumar Jain (Company Secretary)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Prakash Chandra Sharma (Chief Financial Officer)^	0	N.A.	N.A.	0	N.A.	0	N.A.

*Ceased to be a director effective 17.04.2015

~Appointed as Whole-time Director effective 28.05.2015

#Ceased to be Chief Financial Officer effective 16.09.2015

^Appointed as Chief Financial Officer effective 21.09.2015

V. INDEBTEDNESS:

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

(Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (as on 1st April, 2015)				
i) Principal Amount	87554.14	3015.00	-	90569.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1135.98	11.29	-	1147.27
Total (i+ii+iii)	88690.12	3026.29	-	91716.41
Change in Indebtedness during the financial year				
* Addition	5567.07	608.71	-	6175.78
* Reduction	-	-	-	-
Net Change	5567.07	608.71	-	6175.78
Indebtedness at the end of the financial year (as on 31st March, 2016)				
i) Principal Amount	92968.88	3635.00	-	96603.88
ii) Interest due but not paid	172.91	-	-	172.91
iii) Interest accrued but not due	1102.53	-	-	1102.53
Total (i+ii+iii)	94257.19	3635.00	-	97892.19

ASIAN HOTELS (NORTH) LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

S. No	Particulars of Remuneration	Mr. Shiv Kumar Jatia (Managing Director)	Ms. Anita Thapar~ (Whole-time Director)
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	9025968*	1420134^
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	39600	18232
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others viz. HRA, Club membership fee and Group medical insurance premium	4914618	333245
Total (A)		13980186	1771611
Ceiling as per the Act		13018350	13018350

~Appointed as Whole-time Director effective 28.05.2015

* Includes Rs. 967068 as Employer's contribution to Provident Fund, which does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act.

^ Includes Rs. 91161 as Employer's contribution to Provident Fund, which does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act.

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dr. Lalit Bhasin	Mr. Dinesh Chandra Kothari	Mr. Gautam Ramanlal Divan	Mr. Priya Shankar Dasgupta	
1	Independent Directors					
	Fee for attending board and committee meetings	2,24,000	1,08,000	1,80,000	24,000	5,36,000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	2,24,000	1,08,000	1,80,000	24,000	5,36,000
2	Other Non-executive Directors	Mr. Dipendra Bharat Goenka	Mr. Amritesh Jatia	Mrs. Archana Jatia#		
	Fee for attending board/ committee meetings	0	72,000		0	72,000
	Commission	0	0		0	0
	Others, please specify	0	0		0	0
	Total (2)	0	72,000		0	72,000
Total Managerial Remuneration (B)=(1+2)						6,08,000
Overall Ceiling as per the Act*						0

Ceased to be a director effective 17.04.2015

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

ASIAN HOTELS (NORTH) LIMITED

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

S. No.	Particulars of Remuneration	Company Secretary - Mr. Dinesh Kumar Jain	Chief Financial Officer (erstwhile) - Mr. Jyoti Subarwal	Chief Financial Officer - Mr. Prakash Chandra Sharma	Total
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4238548	15137738	1704350	21080636
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	39600	19800	0	59400
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	- others, specify...	0	0	0	0
5	Others (includes H.R.A. and Group Medical Insurance Premium)	837314	1085738	483837	2406889
	Total	5115462	16243276	2188187	23546925

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences during the year ended 31st March, 2016.

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'J' FORMING PART OF THE DIRECTORS' REPORT

NOMINATION, REMUNERATION AND EVALUATION POLICY

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

Preamble

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

Definitions

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

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

“**Company**” means Asian Hotels (North) Limited.

“**Director**” means a director appointed to the Board of the Company.

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

“**Key Managerial Personnel**” or “**KMP**” means:

- i. The CEO or the Managing Director;
- ii. Whole-time Director(s);
- iii. Chief Financial Officer;
- iv. Company Secretary; and
- v. Such other person as may be prescribed.

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

“**Policy**” means this policy namely Nomination, Remuneration and Evaluation Policy.

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

Applicable regulatory provisions

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

The Policy & its applicability

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

1. Purpose

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

2. Accountabilities

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

3. Role of the Nomination, and Remuneration Committee

The Nomination and Remuneration Committee is responsible:

- 3.1 To devise a policy on diversity of Board; to review the composition of the Board, adequacy of number of members on the Board and board diversity annually; and to make appropriate recommendations to correct any imbalance therein;
- 3.2 To formulate criteria for determining qualifications, positive attributes and independence of a director;
- 3.3 To identify persons who are qualified to become directors, and who may be appointed in senior management positions in accordance with the criteria laid down in the policy;
- 3.4 To recommend a remuneration policy for the Directors / KMP / SMP so appointed / re-appointed ensuring that level and composition

of remuneration is reasonable and sufficient to attract, retain and motivate them and comprises of an ideal balance of fixed and variable compensation that is linked to meeting appropriate performance benchmarks, and within the frame work of the said policy, to recommend remuneration for such persons from time to time;

- 3.5 To formulate criteria for evaluation of performance of the independent directors, such evaluation is to be done by the Board (excluding the directors being evaluated);
- 3.6 To formulate criteria for evaluation of performance of the non-independent directors and the Board as a whole, such evaluation is to be done by the independent directors exclusively in their separate meeting;
- 3.7 To formulate criteria for evaluation of the Chairman's performance, to be done by the independent directors exclusively in their separate meeting taking into account the views of executive directors and non-executive directors;
- 3.8 To recommend to the Board the appointment and removal of directors and senior management;
- 3.9 To recommend to the Board on whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of the independent directors;
- 3.10 Succession planning for Directors, KMP and SMP, and overseeing the transition process;
- 3.11 To carry out any other function as is mandated by the Board from time to time and / or required by the statute and the Listing Regulations or any amendment or modification therein, from time to time;
- 3.12 To perform such other functions as may be necessary or appropriate for the performance of its duties.

4. Appointment of Directors / KMP / SMP

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

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

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

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

The criteria discussed above may be listed as:

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

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

5. Letters of Appointment

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

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

6.1 **Guiding Principles**

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

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

6.2 **Remuneration Structure**

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

Managing Director / Whole-time Director

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

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

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

b) **Perquisites**

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

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

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

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

Non-executive Directors

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

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

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

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

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

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

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

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

Chairman

- Leadership abilities
- Stewarding the Board and shareholders' meetings

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

Managing Director / Whole-time Director

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

Independent Directors / Other Non-executive Directors

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

KMP / SMP

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

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

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

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

8. Evaluation of the Board

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

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

9. Removal

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

10. Retirement

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

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

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

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

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

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

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

12. Review and Amendment

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

13. Deviations from the Policy

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

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

ASIAN HOTELS (NORTH) LIMITED

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF ASIAN HOTELS (NORTH) LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of Asian Hotels (North) Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

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

Note 27(A)(e) and 27(A)(f) to the standalone financial statements, which describes the uncertainty related to the outcome of the law-suits filed against the Company and also in which the Company is one of the party.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact, wherever necessary, of pending litigations on its financial position in its financial statements (Refer Note 27(A) of the standalone financial statements) except as mentioned above under the paragraph on 'Emphasis of Matters';
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Kaushik D Shah
Partner
Membership Number: 016502

Place: New Delhi
Date: 27th May 2016

ASIAN HOTELS (NORTH) LIMITED

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the 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 to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act') except certain advance for expenses/trade receivables recoverable in the normal course of business and therefore, the provisions of clauses (iii)(a), (iii)(b) & (iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

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

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

Nature of Statute	Year to which it relates	Amount unpaid (excluding interest) (Rs. in Lakhs)	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	AY- 2002-2007	254.53 Lakhs (Including penalty of Rs. 250 Lakhs)	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	AY- 2012-13	4.23 Lakhs	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	AY- 2013-14	0.87 Lakhs	Assessing Officer (Rectification u/s 154)

- (viii) Based on our audit procedures and in our opinion and according to the information and explanations given to us, we are of the opinion that *there are instances wherein company has delayed in repayment of dues to financial institutions / banks. However, the said amounts were subsequently paid as per the details given herein under in the Table.* The company does not have any debenture holders.

Particulars	Amount of delay in payment (Rs. in Lakhs)	Period of delay in payment	Remarks, if any
Name of the Lenders:			
i) DBS Bank Ltd.			
Interest on loans	137.58	From 29 th March, 2016 to 31 st March, 2016	Unpaid as at 31 st March, 2016. Subsequently paid on 7 th April, 2016
Interest on loans (Aggregate value)	1,589.25	At various dates	Delay of 10 to 85 days, made good during the financial year
Principal due on loans (Aggregate value)	8,045.98	At various dates	Delay of 10 to 89 days, made good during the financial year
ii) IDBI Bank Ltd.			
Principal due on loans	127.71	Due on 1 st January, 2016	Delay of 17 days, made good during the financial year
iii) Bank of Maharashtra			
Interest on loans (Aggregate value)	225.30	Due on 1 st November, 2016	Delay of 6 days made good during the financial year

ASIAN HOTELS (NORTH) LIMITED

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and according to the explanations given by the management, term loans were applied for the purposes for which loans were raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Dhirubhai Shah & Doshi

Chartered Accountants

Firm's Registration Number: 102511W

Kaushik D Shah

Partner

Membership Number: 016502

Place: New Delhi

Date: 27th May 2016

ASIAN HOTELS (NORTH) LIMITED

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Asian Hotels (North) Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dhirubhai Shah & Doshi**

Chartered Accountants

Firm's Registration Number: 102511W

Kaushik D Shah

Partner

Membership Number: 016502

Place: New Delhi

Date: 27th May 2016

ASIAN HOTELS (NORTH) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

	Notes	As at 31 st March 2016 (Rs. in Lakhs)	As at 31 st March 2015 (Rs. in Lakhs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,945.32	1,945.32
Reserves and Surplus	4	71,638.70	73,337.97
		<u>73,584.02</u>	<u>75,283.29</u>
Non-Current Liabilities			
Long-Term Borrowings	5	84,413.93	74,117.72
Deferred Tax Liabilities (net)		-	2,580.65
Other Long-Term Liabilities	6	1,682.30	1,680.30
Long-Term Provisions	7	434.31	458.53
		<u>86,530.54</u>	<u>78,837.20</u>
Current Liabilities			
Short-Term Borrowings	8	6,672.35	6,860.92
Trade Payables	9	3,454.40	2,646.86
Other Current Liabilities	10	14,712.53	25,912.33
Short-Term Provisions	7	205.95	312.48
		<u>25,045.23</u>	<u>35,732.59</u>
TOTAL		<u>185,159.79</u>	<u>189,853.08</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
	11		
Tangible Assets		121,328.80	127,081.08
Intangible Assets		-	-
Capital Work-In-Progress		337.96	951.00
Non-Current Investments	12	56,295.78	55,915.33
Long-Term Loans And Advances	13	1,850.60	1,758.50
Other Non-Current Assets	14	50.00	867.50
		<u>179,863.14</u>	<u>186,573.41</u>
Current Assets			
Inventories	15	797.99	458.87
Trade Receivables	16	1,066.93	985.81
Cash and Bank Balances	17	1,753.89	365.35
Short-Term Loans And Advances	13	1,613.10	1,461.07
Other Current Assets	14	64.74	8.57
		<u>5,296.65</u>	<u>3,279.67</u>
TOTAL		<u>185,159.79</u>	<u>189,853.08</u>

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

The accompanying notes 1 to 35 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For DHIRUBHAI SHAH & DOSHI

Chartered Accountants

Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHIK D SHAH

Partner

Membership Number: 016502

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DR. LALIT BHASIN

Director & Chairman of

Audit Committee

DIN: 00001607

PRAKASH SHARMA

Vice President- Finance

(Chief Financial Officer)

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

M. No.: FCS 6224

Place: New Delhi

Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	For the year ended 31 st March 2016 (Rs. in Lakhs)	For the year ended 31 st March 2015 (Rs. in Lakhs)
INCOME			
I Revenue From Operations (gross)	18	24,106.58	23,281.82
Less: Excise Duty paid		(32.33)	(32.60)
Revenue From Operations (net)		24,074.25	23,249.22
II Other Income	19	1,364.33	3,095.32
III Total Income (I+II)		25,438.58	26,344.54
IV EXPENSES			
Consumption of Provisions, Beverages, Smokes & Others	20	3,134.14	2,943.93
Employee Benefits Expense	21	5,717.41	5,611.26
Other Expenses	22	7,994.71	10,288.80
Total Expenses		16,846.26	18,843.99
V Earnings before interest, tax, depreciation and amortization (EBITDA) (III-IV)		8,592.32	7,500.55
Depreciation & Amortization Expenses	11	2,270.69	2,907.16
Less: Adjustment with retained earnings		-	(252.70)
Finance Costs	23	13,784.05	9,363.59
VI Profit/(Loss) before exceptional, prior period items and tax		(7,462.42)	(4,517.50)
Exceptional Items	24	(3,216.60)	-
VII Profit/(Loss) before prior period items and tax		(4,245.82)	(4,517.50)
Prior period items	25	34.10	15.90
VIII Profit/(Loss) before extraordinary item and tax		(4,279.92)	(4,533.40)
Extraordinary items		-	-
IX Profit/(Loss) before tax		(4,279.92)	(4,533.40)
X Tax Expense			
Current Tax		-	-
Earlier Years Tax (written back)		-	(10.01)
Minimum Alternate Tax (MAT) Credit Entitlement		-	(7.45)
Deferred Tax		(2,580.65)	301.87
Total Tax		(2,580.65)	284.41
XI Profit/(Loss) for the year (IX - X)		(1,699.27)	(4,817.81)
Earnings/(Loss) Per Equity Share (in Rupees)	26		
Basic		(8.74)	(24.77)
Diluted		(8.74)	(24.77)

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES 1 & 2

The accompanying notes 1 to 35 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

For **DHIRUBHAI SHAH & DOSHI**

Chartered Accountants

Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHIK D SHAH

Partner

Membership Number: 016502

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DR. LALIT BHASIN

Director & Chairman of

Audit Committee

DIN: 00001607

PRAKASH SHARMA

Vice President- Finance

(Chief Financial Officer)

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

M. No.: FCS 6224

Place: New Delhi

Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX BUT AFTER EXCEPTIONAL/EXTRA ORDINARY ITEMS	(4,279.92)	(4,533.40)
Adjustments for:		
Depreciation and amortization	2,270.68	2,654.46
Interest and finance charges	12,092.65	8,516.29
Interest income	(114.89)	(235.23)
(Gain)/Loss on fixed assets sold/ discarded (net)	(422.30)	(2,474.61)
Net unrealized (gain)/loss on foreign currency transaction and translation	1,918.22	600.15
Bad debts / advances written off	11.85	71.09
Provision for bad & doubtful debts/advances (written back)	10.93	27.98
Liability no longer required written back	(377.66)	(124.32)
Provision no longer required written back	(3,251.34)	(27.78)
Provision for gratuity and leave encashment/ (written back)	(130.76)	(38.13)
Prior period expenses/(income) (net)	34.10	15.90
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	7,761.57	4,452.40
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	75.34	177.30
(Increase)/decrease in inventories	(339.12)	152.08
Increase/(decrease) in trade payables, other liabilities and provisions	(2,816.53)	(1,409.24)
CASH GENERATED FROM OPERATIONS	4,681.25	3,372.54
Income taxes paid	(419.34)	(661.42)
Prior period (expenses)/income (net)	(34.10)	(15.90)
NET CASH FROM OPERATING ACTIVITIES	4,227.81	2,695.22
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets		
Additions during the year	(1,911.55)	(6,648.82)
Capital work in progress		
Deductions/(additions) during the year	(1,440.00)	3,516.47
Proceeds from sale of fixed assets	7,868.64	6,951.98
Investments in bank deposits (with original maturity over 3 months)	(160.00)	(899.50)
Proceeds from bank deposits (with original maturity over 3 months)	244.50	212.50
Interest received	58.72	247.51
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	4,660.31	3,380.14

ASIAN HOTELS (NORTH) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings		
Receipts	42,276.32	10,085.34
Payments	(38,352.68)	(8,106.33)
Proceeds from short term borrowings		
Receipts	8,178.38	17,394.50
Payments	(8,367.13)	(19,678.57)
Interest and finance charges	(11,964.48)	(8,545.51)
Dividend paid	-	(194.55)
Dividend tax paid	-	(33.06)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(8,229.59)	(9,078.18)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	658.54	(3,002.82)
CASH AND CASH EQUIVALENTS - OPENING	309.71	3,312.53
CASH AND CASH EQUIVALENTS - CLOSING	968.25	309.71
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	658.54	(3,002.82)

NOTES:

- The above Cash Flow Statement has been prepared as per the "Indirect method" set out in the Accounting Standard- 3 on Cash Flow Statements.
- Figures in bracket indicate cash outflow.
- Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.
- Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

	As at 31 st March 2016 (Rs. in Lakhs)	As at 31 st March 2015 (Rs. in Lakhs)
Balances with banks		
In current accounts	590.95	207.67
In deposits with original maturity of less than 3 months	340.09	73.90
Cheques, draft on hand	-	0.09
Cash on hand	37.21	28.05
	968.25	309.71

"As per our report of even date attached"

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

ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHIK D SHAH
Partner
Membership Number: 016502

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

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

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1. CORPORATE INFORMATION

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

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable. These financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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

b) Use of Estimates

The preparation of these financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed assets, depreciation / amortization and Capital Work-in-Progress

(i) Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss, if any, less depreciation/ amortisation. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put to use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, recognised. The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of depreciable assets to the cost of the asset and depreciates the same over the remaining life of the asset.

(ii) Depreciation on Tangible Fixed Assets:

(a) Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge.

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

(c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve and credited to the General Reserve based on guidance provided by "Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India.

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

(iii) Amortization of Intangible Fixed Assets:

Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

(iv) Capital Work-in-Progress:

Tangible assets not ready for intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress". Capital Work-in-Progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per AS – 16 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period has been set off from the interest expense accounted for as expenditure during the construction period.

d) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SIGNIFICANT ACCOUNTING POLICIES ...contd.

Company measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

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

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

e) Foreign Currency Transactions

Initial Recognition

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

Conversion

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

Exchange Differences

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

For exchange differences arising on certain long-term foreign currency monetary items, refer to note 2(c) above on tangible fixed assets.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

f) Revenue recognition

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

- (i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
- (ii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividend income from investments is recognized when the Company's right to receive payment is established.
- (iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.
- (v) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Changes in the carrying amount of current investments are recognized in the statement of profit and loss. Non-current investments are valued at cost. However, provision for diminution in value is made to recognize a decline that is other than temporary in the value of investments, wherever considered necessary. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

h) Inventories

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

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

i) Retirement benefits

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

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SIGNIFICANT ACCOUNTING POLICIES ...contd.

- (i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the statement of profit and loss of the year when the contribution to the respective fund is due. There is no obligation other than the contribution payable to the respective fund.
- (ii) The Company also provides for retirement benefits in the form of gratuity and compensated absences/ Leave encashment in pursuance of the Company leave rules. The Company's liability towards such defined benefit plans are determined based on valuations as at the Balance Sheet date made by independent actuaries. All actuarial gains/losses arising during the accounting year are recognized immediately in the statement of profit and loss as income or expense. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

j) **Income and Deferred Taxes**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset on unabsorbed depreciation and carry forward losses is recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

k) **Borrowing costs**

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

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

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

l) **Earnings per equity share**

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events such as bonus issue and shares split that have changed the number of equity shares outstanding without a corresponding change in resources.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SIGNIFICANT ACCOUNTING POLICIES ...contd.

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, if any.

m) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reasonable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

n) 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 probable that an outflow of resources will be required to settle the obligations. 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.

o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and cash/cheques on hand and short term deposits with banks with an original maturity of not more than three months.

p) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

q) Operating Leases

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

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

3. SHARE CAPITAL	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
AUTHORISED		
40,000,000 Equity Shares of Rs. 10 each	4,000.00	4,000.00
30,000,000 Preference Shares of Rs. 10 each	3,000.00	3,000.00
ISSUED, SUBSCRIBED & PAID UP		
19,453,229 Equity Shares of Rs. 10 each fully paid up	1,945.32	1,945.32
	1,945.32	1,945.32

(a) Rights, preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2016, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2015: Re. Nil).

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

(b) The details of shareholders holding more than 5% shares are set out below:

Name of shareholder	As at 31 st March 2016		As at 31 st March 2015	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas promoter entity)	4,493,145	23.10	5,510,645	28.33
Yans Enterprises (H.K.) Limited, (an overseas promoter entity)	5,336,880	27.43	5,336,880	27.43
Mr. Shiv Kumar Jatia (Chairman & Managing Director & Promoter)	2,668,027	13.72	2,668,027	13.72
Asian Holdings Private Limited (a domestic promoter entity)	1,602,664	8.24		

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

(c) The reconciliation of the number of shares outstanding as at 31st March, 2016 and 31st March, 2015 is set out below:

Particulars	As at	
	31 st March 2016	31 st March 2015
Equity Shares of Rs. 10 each fully paid		
Number of shares in the beginning	19,453,229	19,453,229
Add: Shares issued during the year	-	-
Less: Shares bought back	-	-
Number of shares at the end	19,453,229	19,453,229

4. RESERVES & SURPLUS	Additions (Rs. in Lakhs)	Deductions (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Capital Reserve	-	-	1.41	1.41
Capital Redemption Reserve for redeemed NCPS	-	-	990.00	990.00
Securities Premium Account	-	-	32,994.83	32,994.83
General Reserve	86.77	-	3,920.73	3,833.96
Tourism Development Utilized Reserve	-	-	5,332.02	5,332.02
Revaluation Reserve	-	(86.77)	19,161.71	19,248.48
Surplus in Statement of Profit and Loss	-	(1,699.27)	9,238.00	10,937.27
	86.77	(1,786.04)	71,638.70	73,337.97

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

4. RESERVES & SURPLUS ...contd.

- (a) Deduction to Revaluation Reserve represents amount withdrawn on account of depreciation during the year.
(b) Surplus in Statement of Profit and Loss

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Opening balance	10,937.27	15,925.79
Add: Profit/(Loss) for the year	(1,699.27)	(4,817.81)
Less: Depreciation adjustment (refer note 12(c))		(170.71)
Amount available for appropriation	<u>9,238.00</u>	<u>10,937.27</u>
Less: Appropriations		
Proposed dividend on equity shares	-	-
Dividend distribution tax	-	-
Amount transferred to general reserve	-	-
Total	<u>-</u>	<u>-</u>
Closing balance	<u>9,238.00</u>	<u>10,937.27</u>

5. LONG-TERM BORROWINGS

	NON-CURRENT		CURRENT	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
SECURED				
TERM LOANS				
FROM BANKS				
DBS Bank Limited				
External commercial borrowings				
USD 382.53 Lakhs and SGD 227.29 Lakhs (Previous Year USD 506.77 Lakhs and SGD 236.88 Lakhs)	32,846.24	34,167.14	3,700.00	8,359.97
Axis Bank Limited-Rupee loan	10,500.00	19,775.00	-	-
Bank of Maharashtra - Rupee Loan	24,141.00	-	-	-
IDBI Bank Limited-Rupee loan	4,950.00	5,700.00	750.00	300.00
ING Vysya Bank Limited-Rupee loan	1,521.59	5,719.74	188.91	647.23
Yes Bank Limited-Rupee loan	5,500.00	5,000.00	-	-
For business of generation of electricity (Refer Note 28 on Segment Reporting)				
ING Vysya Bank Limited-Rupee loan	-	146.89	146.83	96.25
For acquisition of vehicles				
Axis Bank Limited- Rupee loan	-	3.33	3.33	19.62
ICICI Bank Limited- Rupee loan	257.71	35.52	85.45	138.53
FROM FINANCIAL INSTITUTION				
IFCI Limited- Rupee loan	4,444.44	3,500.00	555.56	-
SREI Equipment Finance Ltd - Equipment Loan	125.59	-	24.75	-
For acquisition of vehicles				
Kotak Mahindra Prime Limited - Rupee loan	117.89	70.10	36.54	28.90
BMW Financial Services - Rupee loan	9.47	-	26.23	-
	<u>84,413.93</u>	<u>74,117.72</u>	<u>5,517.60</u>	<u>9,590.50</u>
Amount disclosed under the head "Other Current Liabilities" (Note 11)	-	-	(5,517.60)	(9,590.50)
	<u>84,413.93</u>	<u>74,117.72</u>	<u>-</u>	<u>-</u>

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

5. LONG-TERM BORROWINGS ...contd.

Nature of security and terms of repayment for secured long term borrowings:

- (a) DBS Bank Limited - External commercial borrowings (carried interest margin over LIBOR / SIBOR from 3.10% to 3.25% per annum) are secured / to be secured by first pari-passu charge of land & building of Hotel Hyatt Regency Delhi (excluding Serviced Apartment Tower and land underneath); personal guarantee of Chairman & Managing Director, pledge of shares representing Company's investment in foreign subsidiary company. External commercial borrowings are repayable as under: (i) SGD 227.29 Lakhs is payable in 48 unequal quarterly installments commencing from June 2018; (ii) USD 310.05 Lakhs is payable in 48 unequal quarterly installments commencing from June 2018 and; (iii) USD 72.48 Lakhs is payable in 48 unequal quarterly installments commencing from June 2018.
- (b) Axis Bank Limited - Rupee loan (carried interest from @ 12.60% to 12.90% per annum) was secured by first charge on six floors (Serviced Apartments) in the new tower/ building in the existing Hyatt Regency Hotel complex, second exclusive mortgage charge on the land and building pertaining to the existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and personal guarantee of Chairman & Managing Director. The loan was repayable in unequal quarterly installments up to March 2023 which commenced from December 2014. This loan has been repaid full during the year.
- (c) Axis Bank Limited - Rupee loan of Rs. 10,500 Lakhs (Amount sanctioned Rs. 16,200 Lakhs) (carried interest @ 12.00% per annum) secured by first pari-passu on entire unsold area measuring appx. 70,000 sq. ft. (Super Built Area) in the new tower, part of commercial hotel plot in Bhikaji Cama Place, New Delhi, first pari-passu charge on the cash flows of the company, first pari-passu charge on the land and building pertaining to the existing hotel complex, first pari-passu hypothecation charge on the movable fixed assets and current assets of the company, both present and future and personal guarantee of Chairman and Managing Director. This loan has been obtained for the purpose of re-financing of existing loans. The loan is repayable in unequal 48 quarterly installments commencing from June 2018.
- (d) IDBI Bank Limited - Rupee Loan Rs. 5,700 Lakhs (carried interest @ 12.50% to 13.00% per annum) is secured by first pari-passu charge on land and building of existing Hotel block (Hyatt Regency Delhi); unconditional and irrevocable personal guarantee of Chairman & Managing Director and pledge of 15% shares of company's one of the subsidiary. This loan was repayable in 18 unequal quarterly installments which commenced from October 01, 2015.
- (e) ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited) - Rupee loan (carrying interest from @ 11.85% to 12.10% per annum) was secured by exclusive mortgage charge on the two floors along with 3000 square ft. of the Sixth Floor (Serviced Apartments) in the new tower/ building in existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and personal guarantee of Chairman & Managing Director. This loan was repayable in 84 monthly installments up to September 2020, repayment started from October 2013. This loan has been repaid during the year.
- (f) ING Vysya Bank (Now Kotak Mahindra Bank Limited) - Rupee loan Rs. 1,710.50 Lakhs (carried interest @ 12.35% per annum) is secured by pari-passu charge on new tower ground, lobby level floor, exclusive charge mortgage on 3000 sq. ft. of sixth floor and personal guarantee of Chairman and Managing Director, repayable in 84 monthly installments, up to May 2021, repayment started from June, 2014.
- (g) Yes Bank Limited - Rupee loan (carried interest @ 12.50% per annum) was secured by first pari-passu charge on land & building of Hyatt Regency Delhi, second pari-passu charge on current assets (both present and future); unconditional and irrevocable personal guarantee of Chairman & Managing Director and was repayable in 32 quarterly installments by January 2024 starting from April 2016. Outstanding balance as on 31st March, 2015 was Rs. 5,000 Lakhs. This loan has been repaid during the year.
- (h) Yes Bank Limited - Rupee loan of Rs. 5,500 Lakhs (carried interest @ 10.50% to 10.75% per annum) is secured by first pari-passu charge on Land & Building of Hyatt Regency Delhi Hotel, second pari-passu charge on current assets of the borrower (excluding commercial/service apartment block) and a personal bank guarantee of Chairman and Managing Director. The loan is repayable in 48 structured quarterly installments starting from October 2018.
- (i) Bank of Maharashtra (Term Loan I) of Rs. 19,775 Lakhs (carried interest @ 10.95% to 11.25% floating with monthly rests) - is secured by 1st pari-passu charge on land and building of Hotel Hyatt Regency, District Centre, R.K.Puram, Bhikaji Cama Place, M.G. Marg, New Delhi 110066 & personal guarantee of the Chairman & Managing Director. The loan is payable in 48 unequal quarterly installments commencing from June 2018.
- (j) Bank of Maharashtra (Term Loan II) of Rs. 4,366 Lakhs (carried interest @ 10.95% to 11.50% floating with monthly rests) - is secured by 1st pari-passu charge on land & building of Hotel Hyatt Regency, District Centre, R.K.Puram, Bhikaji Cama Place, M.G. Marg, New Delhi 110066 & personal guarantee of Chairman and Managing Director. The loan is payable in 48 unequal quarterly installments commencing from June 2018.
- (k) ICICI Bank - Rupee loan (carried interest @ 11.41% per annum) is secured against hypothecation of 16 vehicles. Balance repayable in monthly installments up to June 2016.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

5. LONG-TERM BORROWINGS ...contd.

ICICI Bank - Rupee loan (carried interest @ 9.84% per annum) is secured against hypothecation of 14 vehicles. Balance repayable in monthly installments up to December 2020.

The aggregate values of the vehicle loans from ICICI Bank aggregate to Rs. 343.16 Lakhs

- (l) ING Vysya Bank (Now Kotak Mahindra Bank Limited) - Rupee loan of Rs. 146.83 Lakhs for business of generation of electricity (carried interest @ 11.65% to 12.10% per annum) is secured by first charge and /or hypothecation of freehold land, plant & machinery and book-debts pertaining to the windmill situated at Sinner in Maharashtra and personal guarantee of Chairman & Managing Director. Balance repayable in 3 equal installment up to October 2016.
- (m) Axis Bank - Rupee loan of Rs. 3.33 Lakhs for acquisition of vehicles (carried interest @ 10.5% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to July 2016.
- (n) IFCI Ltd - Rupee Loan of Rs. 5,000 Lakhs (Carried interest @ 14.95% per annum) is secured by first pari-passu charge on land & building of Hyatt Regency Delhi (excluding Serviced Apartment Tower and land underneath) and second charge on a portion of the property i.e. 6 floors from first floor to sixth floor with super built-up measuring 51,881 sq. ft. in the Serviced Apartment Tower, first charge and/or hypothecation of freehold land, plant and machinery situated at Sanghli in Maharashtra and personal guarantee of Chairman and Managing Director. Repayable in 18 equal installments commencing from 15th October, 2016.
- (o) Kotak Mahindra Prime Limited - Rupee loan for acquisition of vehicles (carried interest @ 8.75% to 10.45% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to December 2018.
- (p) Kotak Mahindra Prime Limited - Rupee loan for acquisition of vehicles (carries interest @ 9.00% to 10.00% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to May 2020.

Kotak Mahindra Prime Limited - Rupee loan for acquisition of vehicles (carries interest @ 9.00% to 10.00% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to February 2021.

The aggregate values of the vehicle loans outstanding from Kotak Mahindra Prime Ltd aggregates to Rs. 154.43 Lakhs

- (q) BMW Financial Services - Rupee loan of Rs. 35.70 Lakhs for acquisition of vehicles (carried interest @ 12.21% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to July 2017.
- (r) SREI Equipment Finance Ltd - Rupee Loan of Rs. 150.34 Lakhs for acquisition of equipment (carried interest @ 14.25% per annum) is secured against the power saving equipment acquired from the loan. Balance is payable in equal monthly installments up to October 2020 starting from December 2015.
- (s) There is no continuing default in repayment of loans and interest as on 31st March, 2016 *except one instance wherein the Company has delayed the repayment of interest on foreign currency term loans as per the details given below:*

Particulars	Amount of continuing default (Rs. in Lakhs)	Period of default
Name of the lender: DBS Bank Limited (ECB - I)	137.58	From 29 th March, 2016 to 31 st March, 2016. Subsequent payment made good on 7 th April, 2016

- (t) The details of repayment of long term borrowings as at 31st March, 2016 are as follow:

Particulars	Up to 1 year (Rs. in Lakhs)	2 to 5 years (Rs. in Lakhs)	Above 5 years (Rs. in Lakhs)	Total (Rs. in Lakhs)
Secured term loans				
From banks	4,874.52	12,648.67	67,067.87	84,591.06
From financial institution	643.07	4,697.40	-	5,340.47
Total	5,517.59	17,346.07	67,067.87	89,931.53

6. OTHER LONG-TERM LIABILITIES

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Security deposits received	1,682.30	1,680.30
	1,682.30	1,680.30

The above includes Rs. 177.33 Lakhs (Previous Year Rs. 177.33 Lakhs) received as refundable interest free security deposits against leave and license agreements relating to the shops in Hotel Hyatt Regency and Rs. 1,500 Lakhs (Previous Year Rs. 1,500.00 Lakhs) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

7. PROVISIONS

	LONG-TERM		SHORT-TERM	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Provision for employee benefits				
Gratuity	343.06	369.02	172.10	267.03
Leave encashment	91.25	89.51	9.81	21.41
Provision for taxation (net of Advance Income Tax)	-	-	24.04	24.04
	434.31	458.53	205.95	312.48

8. SHORT-TERM BORROWINGS

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
SECURED		
Loans repayable on demand from banks		
Overdraft facilities		
- DBS Bank Limited	1,442.38	1,872.29
- Yes Bank Limited	-	445.69
- ING Vysya Bank Limited	-	38.62
- IDBI Bank limited	1,486.69	1,489.32
- Axis Bank	108.28	-
	3,037.35	3,845.92
UNSECURED		
Others		
- Inter-corporate Loans (carries interest @ 10% to 20%)	3,635.00	3,015.00
	3,635.00	3,015.00
	6,672.35	6,860.92

- (a) DBS Bank Limited - Overdraft facilities (carried interest @ 12.00% per annum) and is secured against first pari-passu charge of land and building of Hotel Hyatt Regency, Delhi (excluding Serviced Apartment tower and land underneath) and pledge of shares representing Company's investment in foreign subsidiary company.
- (b) Yes Bank Limited - Over draft facilities (carried interest @ 11.50% per annum) was secured by pledge on shareholding of Chairman and Managing Director, his associates, Asian Holdings Private Limited's holding in the Company, unconditional and irrevocable personal guarantee of Chairman and Managing Director. This overdraft facility has been withdrawn during the financial year.
- (c) ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited) - Overdraft facilities (carried interest @ 12.10% per annum) was secured against hypothecation of Land, Plant and Machinery of windmill situated at Sinner, Maharashtra and 2nd Floor of the Serviced Apartment at Hyatt Regency Delhi.
- (d) IDBI Bank Limited - Overdraft facilities (carried interest @ 12.50% to 12.75% per annum) is secured against first pari-passu charge on Hyatt Regency, Delhi (excluding Serviced Apartment Tower) and pledge of 15% shares of one of the subsidiary of the company.
- (e) Axis Bank Limited - Overdraft facilities (carried interest @ 11.95% to 12.30% per annum) and is secured by first pari-passu on entire unsold area measuring approx 70,000 sq. ft. (Super Built Area) in the new tower, part of commercial hotel plot in Bhikaji Cama Place, New Delhi, first pari-passu charge on the cash flows of the company, first pari-passu charge on the land & building pertaining to the existing hotel complex, first pari-passu hypothecation charge on the movable fixed assets and current assets of the company, both present and future and personal guarantee of Chairman and Managing Director.

9. TRADE PAYABLES

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Trade payables		
-For Goods and Services*	3,454.40	2,646.86
	3,454.40	2,646.86

* includes due to Micro, Small & Medium Enterprises

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

10. OTHER CURRENT LIABILITIES

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Current maturities of long-term borrowings (Refer Note 5)	5,517.60	9,590.50
Interest accrued and due on borrowings	172.91	-
Interest accrued but not due on borrowings	1,102.53	1,147.27
Unpaid/ unclaimed dividends	20.50	23.50
Advance from customers	1,482.89	839.77
Payables for capital goods	247.70	603.50
Security deposits (interest free)	371.92	6,399.73
Statutory liabilities	2,477.41	5,478.97
Other liabilities	3,319.07	1,829.09
	14,712.53	25,912.33

- (a) Security deposits (interest free) includes Rs. Nil (Previous Year Rs. 1,300.00 Lakhs) received from a company in which certain relatives of directors of the Company are interested, Rs. Nil (Previous Year Rs. 1,330 Lakhs) received from Newtown Hospitality Pvt. Ltd. (a subsidiary company, which ceased to be so w.e.f 27th July, 2015) and Rs. Nil (Previous Year Rs. 3,690.00 Lakhs) received from other entities against expression of interest for a Joint Venture in respect of its KOLKATA PROJECT. {Refer Note 14(a) to the standalone financial statements}. All these security deposits are subject to agreements/ memorandum of understandings.
- (b) Statutory liabilities includes provision for difference of property tax along with interest thereon amounting to Rs. 1,693.11 Lakhs (Previous Year Rs. 5,159.27 Lakhs) {Refer Note 24 to the standalone financial statements}.
- (c) There are no amounts due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

11. FIXED ASSETS

(Rs. in Lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at 01.04.2015	Additions during the year	Deductions/ Ad- justments during the year	As at 31.03.2016	Up to 31.03.2015	For the year	Deductions/ Ad- justments during the year	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible assets										
Land (freehold)	86,398.46	1,060.36	7,384.54	80,074.28	-	-	-	-	80,074.28	86,398.46
Buildings	30,141.77	855.91	2.67	30,995.01	2,523.49	498.30	0.44	3,021.35	27,973.66	27,618.28
Plant and Equipments	15,317.82	644.39	14.92	15,947.29	5,540.46	971.15	11.34	6,500.27	9,447.03	9,777.36
Furniture, Fixtures and Furnishing	7,051.02	877.82	-	7,928.84	4,377.79	626.37	-	5,004.16	2,924.68	2,673.23
Office Equipments	76.54	6.76	-	83.30	49.70	8.08	-	57.78	25.52	26.84
Computers	566.38	24.41	46.38	544.41	480.05	39.34	44.06	475.33	69.08	86.33
Vehicles	1,045.35	495.05	269.98	1,270.42	544.77	127.45	216.35	455.87	814.55	500.58
Total	140,597.34	3,964.70	7,718.49	136,843.55	13,516.26	2,270.69	272.19	15,514.76	121,328.80	127,081.08
Intangible assets										
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	140,597.34	3,964.70	7,718.49	136,843.55	13,516.26	2,270.69	272.19	15,514.76	121,328.80	127,081.08
Previous Year	129,433.17	15,884.86	4,720.69	140,597.34	10,852.42	2,907.16	243.32	13,516.26		
Capital work in progress (refer note 11A)									337.96	951.00
									121,666.76	128,032.08

- (a) The Company, based on the report by a Certified Valuer, had revalued land and building of Hotel Hyatt Regency Delhi (the land and building being more than twenty years old) by adopting Cost of Contractor's method, on 28th February, 2007 at Rs. 85,700 Lakhs. The same resulted in an increase in the value of land and building of an amount of Rs. 82,131.81 Lakhs, and therefore, an equivalent amount had been credited to the Revaluation Reserve.
- (b) Due to increase in the value of assets, as stated above, there was an additional charge of Rs. 86.77 Lakhs (Previous Year Rs. 86.77 Lakhs) for the current year, on account of depreciation. Resultantly, an equivalent amount of Rs. 86.77 Lakhs (Previous Year Rs. 86.77 Lakhs) has been withdrawn from the Revaluation Reserve and credited to the General Reserve (Previous Year credited to the General Reserve).

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

11. FIXED ASSETS ...contd.

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
(c) Building includes leasehold improvement:		
Gross value	32.42	32.42
Accumulated depreciation	31.86	31.85
Depreciation charge for the year	0.01	1.03
Net value	0.56	0.57
(d) Vehicles includes those financed:		
Gross value	1,119.14	694.10
Net value	755.69	406.94
(e) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity (Refer Note 28 on Segment Reporting)		
Land (freehold)		
Gross value	34.00	34.00
Net value	34.00	34.00
Plant and Equipments		
Gross value	1,857.02	1,857.02
Net value	1,121.73	1,195.22
(f) Kolkata land was allotted and registered in the name of the company in the financial year 2014-15. During the financial year, the company has executed a sale deed for the said land in Kolkata and the gain arising out of the said sale / transfer has been included in "Other Income".		

11A. Capital Work-in-Progress consists of:

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Balance at the beginning of the year	951.00	6,710.63
Building under construction	271.49	645.57
Technical and consultancy fees	68.34	143.93
Kitchen Equipments	52.04	385.51
Plant and Machinery under installation	7.51	60.59
Plumbing and sanitation	20.47	17.96
Air conditioning under installation	33.18	141.15
Generators under installation	-	-
Elevators under installation and others	99.98	-
Furniture and Fixtures	420.33	977.48
Fire fighting equipments	19.46	113.75
Office, Housekeeping and other equipments	-	26.33
Music, TV and Cinematograph	0.63	45.06
Electrification	18.04	168.25
Expenditure during construction (Refer Note (a) below)	428.65	750.83
	<u>2,391.11</u>	<u>10,187.04</u>
Less: Capitalized during the year	(2,053.15)	(9,236.04)
Balance at the end of the year	<u>337.96</u>	<u>951.00</u>

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

11A. Capital Work-in-Progress consists of: ...contd.

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

STATEMENT OF EXPENDITURE DURING CONSTRUCTION	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Employee benefits expenses	78.23	133.00
Legal and professional charges (Including loan processing and arranging fees)	22.86	27.83
Insurance cost	1.17	1.08
Travelling expenses	24.49	32.61
Interest expenses	221.57	279.88
Net loss /(gain) on foreign currency transaction and translation	-	31.40
Miscellaneous	80.33	245.03
	428.65	750.83

- (b) Interest expenses and net gain/(loss) on foreign currency transaction and translation (if any) are related to certain loans (including foreign currency external commercial borrowings) taken for projects under construction.
- (c) The Ministry of Corporate Affairs vide Notification dated March 31, 2009, as amended from time to time, had given an option to the companies whereby the exchange differences pertaining to long term foreign currency monetary items relating to acquisition of a depreciable asset can be added to or deducted from the cost of asset and shall be depreciated over the balance life of the asset. The Company had adopted the said option (wherever applicable) given under paragraph 46 of Accounting Standard (AS) 11. Accordingly, the total net loss on foreign currency transaction and translation on long term foreign currency loans relating to projects under construction is included in capital work-in-progress, as a part of fixed assets.

12. NON-CURRENT INVESTMENTS

	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Trade Investments (valued at cost)		
Unquoted		
- in Foreign wholly owned Subsidiary		
94,295,582 Ordinary Shares of par value of Fineline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL)	54,653.62	54,653.62
Less: provision for impairment on value of investments	(5,119.60)	(5,119.60)
	49,534.02	49,534.02
10,193,679 5% Cumulative Redeemable Preference Shares (CRPS) of USD 1.00 each fully paid up of Fineline Hospitality & Consultancy Pte Ltd, Mauritius #	6,761.76	6,380.31
- in Indian wholly owned Subsidiary *		
10,000 Equity shares of Rs. 10 each fully paid of Newtown Hospitality Private Limited	-	1.00
	56,295.78	55,915.33
Aggregate amount of unquoted investments	56,295.78	55,915.33
Aggregate provision for diminution on value of investments	5,119.60	5,119.60

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

* Subsidiary ceased to exist so with effect from 27th July, 2015

- (a) The Company presently holds 100% interest in Fineline Hospitality & Consultancy Pte. Ltd. (FHCPL), which in turn holds 80% stake in Lexon Hotels Venture Ltd., Mauritius (Lexon); and Lexon in turn holds 99.76% interest in Leading Hotels Limited (Leading). Leading is developing an all Villa Hotel Complex at Goa, including residential villas and an 18 hole, 72 par Championship Golf Course. The said project will be under the management of Four Seasons, a world famed hotel chain and hospitality management company.
- (b) The Auditors of the subsidiary company, Leading Hotels Limited, in their report have drawn attention to the fact that there are some ongoing legal disputes on its project, and have also indicated that the financial implication of such disputes cannot be ascertained at this stage. However, there is an overall provision for impairment existing of Rs. 5,119.60 Lakhs against the investment in the same project created in the earlier years which has been thus retained and continued.
- (c) During the financial year ended 31st March, 2016, the company has disposed off its investment in Newtown Hospitality Private Limited.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

13. LOANS AND ADVANCES (Unsecured, considered good unless stated otherwise)	NON-CURRENT		CURRENT	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Capital advances				
Considered Good	74.43	375.54	170.91	-
Considered doubtful	21.18	21.18	-	-
Security Deposits	77.88	85.97	19.40	18.05
Other loans and advances				
Advances recoverable in cash or in kind or for value to be received*	15.82	21.16	926.02	1,011.74
Prepaid expenses	-	12.71	378.81	317.21
Advance Income Tax (net of provision for taxation)	904.32	484.97	-	-
Minimum Alternate Tax (MAT) credit available	778.15	778.15	-	-
Service Tax recoverable	-	-	73.35	80.54
Value Added Tax (VAT) recoverable	-	-	44.61	33.53
	1,871.78	1,779.68	1,613.10	1,461.07
Less: Provision for doubtful capital advances	(21.18)	(21.18)	-	-
	1,850.60	1,758.50	1,613.10	1,461.07
*includes loans to employees	15.82	21.16	3.00	4.40
14. OTHER ASSETS (Unsecured, considered good)				
Interest accrued on fixed deposits with banks	-	-	64.74	8.57
Non-current bank balances (Refer Note 17)	50.00	867.50	-	-
	50.00	867.50	64.74	8.57
15. INVENTORIES (valued at lower of cost and net realizable value)			31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Wines and liquor			378.24	162.85
Provisions, other beverages and smokes			151.52	53.72
Crockery, cutlery, silverware, linen etc.			178.34	142.36
General stores and spares			89.89	99.94
			797.99	458.87
- As per inventory taken and valued by the Management				
16. TRADE RECEIVABLES (Unsecured)			31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Outstanding for a period exceeding six months				
Considered good			119.66	34.57
Considered doubtful			0.69	0.69
Others Debts				
Considered good			947.27	951.24
Considered doubtful			17.97	6.11
			1,085.59	992.61
Less: Provision for doubtful debts			(18.66)	(6.80)
			1,066.93	985.81

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

16. TRADE RECEIVABLES ...contd.

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Trade receivables includes:		
-due from Energy Infrastructure (I) Limited, a company in which director of the Company is director	-	0.28
-due from Bhasin & Co., a firm in which director of the Company is proprietor	4.57	2.07
-due from an officer of the Company	1.00	0.02
-debts related to generation of electricity business	108.01	15.10
(Refer Note 28 on Segment Reporting)		

17. CASH AND BANK BALANCES

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	590.95	207.67
In Deposits with original maturity of less than 3 months*	340.09	73.90
Cheque, draft on hand	-	0.09
Cash on hand	37.21	28.05
	<u>968.25</u>	<u>309.71</u>
Other Bank Balances		
Balances with banks		
In Unpaid Dividend Accounts #	20.59	23.59
In Deposits with original maturity of more than 3 months but less than 12 months**	765.05	32.05
In Deposits with original maturity of more than 12 months***	50.00	867.50
	<u>835.64</u>	<u>923.14</u>
Amount disclosed under Non-Current Assets (Note 14)	<u>(50.00)</u>	<u>(867.50)</u>
	<u>1,753.89</u>	<u>365.35</u>
# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.09	0.09
* under lien against guarantee given for loan taken by the company	238.50	-
* includes as margin money deposit against borrowings from banks	96.00	64.00
** under lien against guarantee given for loan taken by the company	655.00	-
** includes as margin money deposit against borrowings from banks	110.00	32.00
*** includes as margin money deposit against borrowings from banks	50.00	867.50

18. REVENUE FROM OPERATIONS

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
ROOMS , FOOD, BEVERAGES AND OTHER SERVICES		
Room income	10,264.06	10,315.80
Wines and liquor	1,930.12	2,153.43
Food, other beverages, smokes and banquets	8,682.70	7,545.39
Communications	42.47	53.29
Others*	3,187.23	3,213.91
	<u>24,106.58</u>	<u>23,281.82</u>
*Includes related to generation of electricity business (Refer Note 28 on Segment Reporting)	231.76	182.24

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19. OTHER INCOME	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Interest Received/Receivable		
From banks	87.37	149.75
From others	27.47	85.48
Excess provisions no longer required written back	34.73	27.78
Credit balances written back	413.96	124.32
Net gain on sale of fixed assets	422.30	2,474.61
Net gain on foreign currency transaction and translation (other than considered as finance cost)	375.36	226.85
Miscellaneous income	3.14	6.53
	1,364.33	3,095.32
20. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
WINES AND LIQUOR		
Opening Stock	162.85	304.92
Add : Purchases	898.37	455.78
	1,061.22	760.70
Closing Stock	(378.24)	(162.85)
	682.98	597.85
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	53.72	68.44
Add : Purchases	2,548.96	2,331.36
	2,602.68	2,399.80
Closing Stock	(151.52)	(53.72)
	2,451.16	2,346.08
	3,134.14	2,943.93
Percentage of total consumption between:		
Indigenous 62.24% (Previous Year 72.73%)	1,950.69	2,141.12
Imported 37.76% (Previous Year 27.27%)	1,183.45	802.81
21. EMPLOYEE BENEFITS EXPENSES	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Salaries and wages	4,002.68	4,092.85
Contribution to provident and other funds	206.73	210.49
Contract labour and services	888.58	754.77
Staff welfare expense *	528.20	491.36
Recruitment and training	91.22	61.79
	5,717.41	5,611.26
* includes:		
Cost of provisions consumed in staff cafeteria	194.42	199.61
Realization on sale of food coupons to staff	(32.88)	(37.80)

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

22. OTHER EXPENSES	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	657.55	708.54
Operating equipment and supplies written off	253.15	328.40
Power, fuel and light (net)	1,812.34	1,846.90
Repairs, maintenance and refurbishing *	857.68	857.66
Rent	118.42	34.75
Rates and taxes**	248.13	2,543.03
Insurance	159.07	116.44
Data processing charges	145.99	130.11
Directors' sitting fee	5.25	9.12
Legal and professional charges	378.83	430.66
Payment to the auditors***	37.21	39.89
Artist fee	3.30	9.81
Stationery and printing	82.93	74.11
Travelling and conveyance	275.76	316.09
Guest transportation	333.14	291.14
Communication (including telephones for guests)	146.39	156.86
Technical services	1,083.92	883.68
Advertisement, publicity and business promotion	507.31	455.15
Commission and brokerage	783.71	828.25
Charity and donations	12.21	0.14
Corporate Social Responsibility (Refer Note 33)	-	59.45
Bad debts / advances written off	11.85	71.09
Provision for doubtful debts / advances	10.93	27.98
Miscellaneous	69.64	69.55
	7,994.71	10,288.80
*includes:		
Repairs to buildings	166.10	175.26
Repairs to machinery	487.21	529.20
**includes Rs. Nil (Previous Year Rs. 138.52 Lakhs) including interest of Rs. Nil (Previous Year Rs. 44.3 Lakhs) for payment of service tax liability pertaining to earlier years based on service tax audit conducted by Service Tax Department.		
***Payments to the auditors for (including service tax)		
-statutory audit	28.62	28.09
-tax audit fee	4.58	5.62
-limited review fees	3.44	5.06
-other services	0.57	1.12
	37.21	39.89

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23. FINANCE COSTS	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Interest expenses	9,220.02	8,297.86
Other borrowing costs (including bank charges)	2,264.35	218.43
Applicable net loss/(gain) on foreign currency transactions and translation {Refer Note 2(k) on borrowing costs}	2,299.68	847.30
	<u>13,784.05</u>	<u>9,363.59</u>
24. EXCEPTIONAL ITEMS	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Adjustment on account of disputed property tax as per legal advise received	(3,216.60)	-
	<u>(3,216.60)</u>	<u>-</u>
<p>Municipal Corporation of Delhi (MCD) introduced a new computation method for levy of Property Tax effective 1st April, 2004 namely "Unit Area Method". Under this method, Five Star Hotels were supposed to pay property tax based on a user factor of 10, which was challenged by way of a joint writ petition filled by The Federation of Hotels & Restaurants Association of India (FHRAI) and the Company, before the High Court of Delhi, which is pending for final adjudication. The Company revisited the provision made earlier for property tax and interest thereon from a user factor of 10 to a user factor 4, in view of the interim order of the High Court of Delhi dated 23rd May, 2014 and legal advise received. Accordingly, the excess provision of Rs. 3,216.60 Lakhs has been reversed.</p>		
25. PRIOR PERIOD ITEMS	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Workmen and Staff Welfare	0.03	-
Repair, maintenance and refurbishing	26.43	4.83
Insurance	-	5.41
Data processing charges	-	0.97
Legal and professional charges	16.82	2.79
Miscellaneous	0.76	2.93
Other income	(9.94)	(1.03)
	<u>34.10</u>	<u>15.90</u>
26. EARNINGS PER EQUITY SHARE	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Profit/(Loss) for the year	(1,699.27)	(4,817.81)
Less : Appropriations	-	-
Profit/(Loss) available for equity shareholders	(1,699.27)	(4,817.81)
Weighted average number of equity shares outstanding	19,453,229	19,453,229
Nominal value per equity share (in Rupees)	10.00	10.00
Earnings/ (Loss) Per Equity Share- Basic and Diluted (in Rupees)	<u>(8.74)</u>	<u>(24.77)</u>

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

27. CONTINGENT LIABILITIES AND COMMITMENTS	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
(A) CONTINGENT LIABILITIES		
(a) Claims against the Company not acknowledged as debts *	20.00	20.00
* pertains to cases filed by certain employees of the Company		
(b) Income tax demand / liabilities not provided for *	5.10	85.79
* Includes income tax demand of Rs. 5.10 Lakhs (Previous Year Rs. 5.53 Lakhs)		
* includes contingent liability of Rs NIL (Previous Year Rs. 80.26 Lakhs) on account of withholding tax on payment to a foreign service provider, considered as per the latest order of the assessing officer in this regard. The appellate authority has however, held that withholding tax is not applicable on payment to the said service provider, accordingly the Company has approached the assessing officer for issue of a certificate of no tax deduction, as per the provisions of the Income Tax Act, 1961.		
(c) Service tax demand not provided for *	254.53	401.10
* pertains to a demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs (Previous Year Rs. 401.10 Lakhs) which includes penalty demand of Rs. 250.00 Lakhs and excluding interest for earlier years up to 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi on 11 th March, 2014. Since the Company had already deposited the service tax payable, as determined by the tax authorities, before issuance of the show cause notice for levy of the penalty, it is contesting before the above appellate authorities that it is not liable to pay any penalty and interest.		
(d) Additional bonus liability for the financial year 2014-15 owing to amendment made in "The Payment of Bonus Act, 1965" w.r.e.f. 1 st April, 2014, has not been provided for as the matter is subjudice before various High Courts in the country.	-	-
(e) The Company has received a notice from Debt Recovery Tribunal, Bangalore, in respect of recovery proceedings filed by State Bank of India against Geodesik Techniques Pvt. Ltd. ("Geodesik"), claiming a purported outstanding by the Company to Geodesik. The Company is contesting the claim as it does not owe any amount to Geodesik.	-	-
(f) Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, and the Company has been made one of the respondents. The same relative has also filed a consumer complaint/petition, before the National Consumer Dispute Redressal Commission (NCDRC), against the Hyatt Hotels Corporation, Chicago and Hotel Hyatt Regency, Delhi, seeking compensation for the above injured person on various counts. Any consequence on the outcome of the above writ petition and the Consumer complaint before the NCDRC (which is not against the Company) can not be ascertained.	-	-
(B) COMMITMENTS		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	456.44	713.89
(b) Lease commitments		
(i) Future commitments in respect of assets acquired under Finance Schemes:		
Minimum installments payable within one year	242.38	58.63
later than one year but not later than five years	618.57	86.27
Present value of minimum payable within one year	176.31	48.52
installments later than one year but not later than five years	510.67	73.43
(ii) Future minimum lease amounts receivable by the Company in respect of non-cancellable operating leases (other than land) for shops and apartments entered into by the Company :		
Not later than one year	123.90	78.23
Later than one year and not later than five years	57.14	67.01

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

27. CONTINGENT LIABILITIES AND COMMITMENTS : ...contd.

	31st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
(iii) Future minimum lease amounts payable by the Company in respect of non-cancellable operating leases (other than land) for other services (including rented premises) entered into by the Company :		
Not later than one year	136.29	146.62
Later than one year and not later than five years	202.40	328.82
More than five years	151.49	182.73

28. SEGMENT REPORTING

The Company operates only in one reportable segment, i.e. Hospitality/Hotel Business at one location, namely New Delhi (India). The other business segment, i.e. power generation, though governed by different sets of risks and returns, however, is not a reportable segment as defined under the Accounting Standard (AS)-17 on Segment Reporting, and therefore, no separate disclosures have been made. The assets, liabilities and revenues relating to the said power generation business have, however, been disclosed in the accounts separately. The above treatment is in accordance with the guiding principles enunciated in the said Accounting Standard.

29. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD-18 :

(a) Individual and his relatives having control over the Company (either directly or indirectly)

- (i) Mr. Amrithesh Jatia, Director
- (ii) Mr. Shiv Kumar Jatia, Chairman & Managing Director

(b) Group Companies which significantly influence the Company (either individually or with others)

- (i) Yans Enterprises (H.K.) Limited, an overseas entity
- (ii) Fineline Holdings Limited, an overseas entity
- (iii) Asian Holdings Private Limited, a domestic entity

(c) Group Companies which are significantly influenced by the Company (either individually or with others)

- (i) Fineline Hospitality & Consultancy Pte Limited, Mauritius, a wholly owned subsidiary company
- (ii) Lexon Hotel Ventures Limited, Mauritius, a subsidiary company
- (iii) Leading Hotels Limited, India, a subsidiary company
- (iv) Newtown Hospitality Private Limited, a wholly owned subsidiary company (ceased to be subsidiary w.e.f 27th July, 2015)

(d) Transactions with related parties:

(Rs in Lakhs)

Particulars	Subsidiaries		Key Management Personnel and their relatives		Entities controlled by Directors or their relatives		Total	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Room, Food, Beverages and other services	8.25	15.00	-	-	8.02	40.67	16.27	55.67
Remuneration	-	-	156.71	153.68	-	-	156.71	153.68
Professional Charges	-	-	-	-	19.27	4.36	19.27	4.36
Commission to Non-Executive Director	-	-	-	-	-	-	-	-
Director's Sitting fees	-	-	0.72	1.32	-	-	0.72	1.32
Reimbursement of Expenses by the Company	-	-	-	-	-	-	-	-
Redemption of NCPS	-	-	-	-	-	-	-	-
Redemption of Loan to Subsidiary	-	-	-	-	-	-	-	-
Interest Income from Subsidiary	-	-	-	-	-	-	-	-
Investment in shares	-	-	-	-	-	-	-	-
Security Deposit Refunded (Interest free)	1,330.00	-	-	-	1,300.00	100.00	2,630.00	100.00
Security Deposit Received (Interest free)	-	1,330.00	-	-	-	-	-	1,330.00
Bad Debts Written off	-	-	-	-	-	50.25	-	50.25
Balance Outstanding								
Payables	-	1,330.00	131.00	121.38	5.61	1,303.04	136.60	2,754.42
Receivables	15.42	7.20	-	-	4.57	2.35	19.99	9.55

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

29. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD-18 : ...contd.

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.
- (ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

(e) Related Parties

- Subsidiaries	Fineline Hospitality & Consultancy Pte Limited Lexon Hotel Ventures Limited Leading Hotels Limited Newtown Hospitality Private Limited (ceased to be subsidiary w.e.f. 27 th July, 2015)	
- Key Management Personnel	Mr. Shiv Kumar Jatia Ms. Anita Thapar	Chairman & Managing Director Whole Time Director
- Relative of Key Management Personnel	Mr. Amrithesh Jatia Mrs. Archana Jatia Mr. Ramesh Jatia Mr. Raj Kumar Jatia	Director and son of Mr. Shiv Kumar Jatia Director and wife of Mr. Shiv Kumar Jatia Brother of Mr. Shiv Kumar Jatia Brother of Mr. Shiv Kumar Jatia
- Entities controlled by Directors or their relatives (with whom transactions entered into during current year or previous year)	Ascent Hotels Private Limited Bhasin & Co. Binaguri Tea Company Private Limited Energy Infrastructure (I) Limited Magus Estates & Hotels Limited	

(f) Disclosure in respect of related party- wise transactions during the year as follows:

Particulars	31 st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Room, Food, Beverages and other services		
- Leading Hotels Limited	8.25	15.00
- Energy Infrastructure (I) Limited	-	0.28
- Bhasin & Co.	8.02	40.39
Remuneration		
- Mr. Shiv Kumar Jatia*	138.61	153.68
- Ms. Anita Thapar**	18.10	-
Professional Charges		
- Bhasin & Co.	19.27	4.36
Director's Sitting Fees		
- Mrs. Archana Jatia	-	0.12
- Mr. Amrithesh Jatia	0.72	1.20
Security Deposit Refunded (Interest free)		
- Binaguri Tea Company Private Limited	1,300.00	100.00
- Newtown Hospitality Private Limited	1,330.00	-
Security Deposit Received (Interest free)		
- Newtown Hospitality Private Limited	-	1,330.00
Bad Debts Written off		
- Magus Estates & Hotels Ltd	-	23.22
- Ascent Hotels Private Limited	-	27.03

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

29. RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD-18 : ...contd.

Particulars	31 st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Outstanding Payables		
- Mr. Shiv Kumar Jatia	112.36	102.75
- Mr. Amritesh Jatia	8.13	8.13
- Bhasin & Co.	5.61	3.04
- Binaguri Tea Company Private Limited	-	1,300.00
- Newtown Hospitality Private Limited	-	1,330.00
- Mr. Ramesh Jatia	1.89	1.89
- Mr. Raj Kumar Jatia	8.61	8.61
Outstanding Receivables		
- Bhasin & Co.	4.57	2.07
- Energy Infrastructure (I) Limited	-	0.28
- Leading Hotels Limited	15.42	7.20

Note: The above transactions excludes changes due to exchange rate fluctuation.

*Figure for 31st March, 2016 includes Provident Fund paid / payable by the employer.

Figure for 31st March, 2015 is net of recovery of Rs. 8.47 Lakhs excess paid in financial year 2010-11.

**Ms. Anita Thapar has been appointed as a whole time director of the company for a period of 3 years effective from 28th May, 2015 in the 34th Annual General Meeting of the Company.

30. EMPLOYEE BENEFITS

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

(a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' contribution to provident fund : Current Year Rs. 188.65 Lakhs (Previous Year Rs. 193.33 Lakhs)

(b) Defined benefit plans

- Gratuity
- Compensated absences - Earned leave

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

Economic Assumptions

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

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 8.00% p.a. (Previous Year 8.50% p.a.).

Salary Escalation Rate

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

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

30. EMPLOYEE BENEFITS ...contd.

The assumptions used are summarized in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Discount rate (per annum)	8.00%	8.50%	8.00%	8.50%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	N.A	N.A	N.A	N.A
In service mortality	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Retirement age	58 years	58 years	58 years	58 years
Withdrawal rates				
- Up to 30 years	3.00%	3.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
1. Expenses recognized in Statement of Profit and Loss				
Current service cost	37.74	41.75	22.00	21.32
Interest cost	54.06	55.04	9.42	11.70
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/loss recognized in the year	(67.48)	(9.99)	(2.92)	(18.58)
Total expenses/ (income)	24.32	86.80	28.50	14.44
2. Net asset/(liability) recognized as at the end of the year				
Present value of defined benefit obligation	515.15	636.05	101.06	110.92
Fair value of plan assets	-	-	-	-
Funded status [surplus/(deficit)]	(515.15)	(636.05)	(101.06)	(110.92)
Net asset/(liability) as at the end of the year	(515.15)	(636.05)	(101.06)	(110.92)
3. Change in the present value of obligation during the year				
Present value of obligation as at the beginning of the year	636.05	647.49	110.92	137.61
Interest cost	54.06	55.04	9.42	11.70
Current service cost	37.74	41.75	22.00	21.32
Benefits paid	(145.22)	(98.24)	(38.36)	(41.13)
Actuarial (gains)/losses on obligation	(67.48)	(9.99)	(2.92)	(18.58)
Present value of obligation as at the end of the year	515.15	636.05	101.06	110.92

31. DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

As per the information available and explanations provided to us and certified by the management, there are no amounts due to any Micro, Small and Medium Enterprises which are outstanding for more than 45 days together with interest at the Balance sheet date as defined under the Micro, Small and Medium Enterprise Development Act, 2006.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

32. OTHER INFORMATION	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
(a) Value of imports calculated on CIF basis		
(i) Food and beverages	317.70	219.16
(ii) Stores and spares	116.09	211.33
(iii) Capital goods	1,253.15	864.53
(iv) Beverages - through canalizing agencies	545.93	338.32
(b) Expenditure in foreign currency		
(i) Technical services (Royalty)	147.26	106.93
(ii) Technical services (Professional and consultation fees)	722.05	765.29
(iii) Interest	2,281.11	2,361.25
(iv) Others		
- Advertisement and publicity	295.83	264.83
- Commission and brokerage	410.66	487.18
- Recruitment and training	26.18	35.37
- Miscellaneous	167.55	94.42
(c) Earning in foreign currency		
(i) Revenue from operation (As reported by the Management of the Company and certified by an independent firm of chartered accountant)	12,705.59	12,610.59
(ii) Interest	-	-
(d) Details of dividends paid to Non Resident Shareholders holding shares on repatriation basis:		
Final Dividend - Equity		
(i) Financial Year to which dividend relates*	2014-15	2013-14
(ii) Number of non-resident shareholders	-	538
(iii) Number of shares held by them	-	12,144,769
(iv) Rupees (in Lakhs) equivalent of amount paid in foreign currency	-	115.54
(v) Amount in Rupees (in Lakhs) remitted to banks /addresses in India for which the Company does not have information as to the extent to which remittance in foreign currencies have been made by or on behalf of the non-resident shareholders	-	5.90

* Company has not declared dividend in FY 2014-15

33. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135(5) of the Companies Act, 2013 (the Act), the Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits (determined under Section 198 of the Companies Act, 2013 and Section 349 of the Companies Act, 1956) made during the immediately three financial years. However, due to inadequacy of profits as per Section 198 of the Companies Act, 2013, the company is not required to spend any amount on CSR activities for Financial Year 2015-16.

- (a) Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. 76.88 Lakhs)
- (b) The Company had decided to contribute to a Government of India approved project entitled to receive donations under Section 35AC of the Income Tax Act, 1961 in Financial Year 2014-15. The CSR Committee decided to contribute Rs. 59.45 Lakhs on the project and has actually contributed an amount of Rs. 15 Lakhs in Financial Year 2014-15 and Rs. 16 Lakhs during the current Financial Year.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

34. DERIVATIVE INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURE

(a) Derivatives outstanding as at 31st March, 2016

Particulars
Forward contract to buy US\$
Nil (Previous year NIL)

(b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2016 and 31st March, 2015 are as under:

Particulars	31 st March 2016		31 st March 2015	
	Foreign Currency	(Rs. in Lakhs)	Foreign Currency	(Rs. in Lakhs)
Receivables				
Loans and advances given				
(in USD)	293,230	194.51	562,666	352.18
(in EURO)	28,869	21.68	26,348	17.79
(in SGD)	-	-	-	-
(in GBP)	6,724	6.39	31,336	28.97
(in AED)	-	-	2,713	0.46
Investment in CRPS (refer Note 13) (in USD)	10,193,679	6,761.76	10,193,679	6,380.31
Payables				
Trade payables				
(in USD)	3,777,720	2,505.87	2,313,769	1,448.21
(in EURO)	-	-	1,552	1.05
(in GBP)	-	-	300	0.28
(in SGD)	-	-	1,176	0.54
(in SEK)	-	-	-	-
Payable for capital goods				
(in USD)	-	-	616,519	385.88
(in SEK)	28,667	2.34	28,667	2.09
External Commercial Borrowings (ECBs)				
(in USD)	38,252,706	25,374.13	50,677,375	31,719.37
(in SGD)	22,729,389	11,172.11	23,688,197	10,807.74
Interest on ECBs				
(in USD)	947,346	628.40	1,315,398	823.32
(in SGD)	530,572	260.79	5,714	2.61

35. OTHER NOTES

(a) Due to inadequacy of profit in the financial year 2015-16, the minimum remuneration paid to Mr. Shiv Kumar Jatia as Managing Director in terms of the shareholders' special resolution dated 21st September, 2015, exceeded the remuneration payable in terms of Section II of Part II of Schedule V to the Companies Act, 2013. Consequently, the Company made an application to the Central Government for approval of managerial remuneration which was in excess of the captioned provisions of the Companies Act, 2013. The Company has since received the requisite approval for payment of managerial remuneration and managerial remuneration is paid to Mr. Shiv Kumar Jatia for FY 2015-16 is well within the limits approved by the Central Government.

(b) Taxation

- No provision for tax has been made for income tax in absence of any taxable income during the current year.
- The Company is having net Deferred Tax Asset (DTA) as on 31st March, 2016, however, on the basis of virtual certainty concept and considering the carried forward losses, DTA is not recognized.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

35. OTHER NOTES ...contd.

- (c) The Lease rentals under an operating lease have not been recognized as expense on a straight-line basis, since, in the opinion of the management the recognition method adopted which is as per respective contracts, is more representative of the time pattern of the user's benefit.
- (d) As per the requirement of Schedule III of the Act, the Board of Directors have considered the values of all assets of the Company other than fixed assets and non-current investments, and have come to a conclusion that these have a value on realization in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.
- (e) Previous year's figures

The Company has reclassified or regrouped previous year figures to conform to current year's classification/ grouping.

Signature to notes 1 to 35 of Financial Statements

ON BEHALF OF THE BOARD OF DIRECTORS

For DHIRUBHAI SHAH & DOSHI

Chartered Accountants

Firm Registration Number: 102511W

KAUSHIK D SHAH

Partner

Membership Number: 016502

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DR. LALIT BHASIN

Director & Chairman of

Audit Committee

DIN: 00001607

PRAKASH SHARMA

Vice President- Finance

(Chief Financial Officer)

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

M. No.: FCS 6224

Place: New Delhi

Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

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 STATEMENTS OF SUBSIDIARIES

Name of the Subsidiary	Fineline Hospitality & Consultancy Pte Ltd		Lexon Hotel Ventures Limited		Leading Hotels Limited	Newtown Hospitality Private Limited
	INR in Lakhs	USD in Lakhs	INR in Lakhs	USD in Lakhs	INR in Lakhs	INR in Lakhs
1 Reporting Period	31 st March, 2016		31 st March, 2016		31 st March, 2016	27 th July, 2015
2 Share Capital	69,310.76	1,044.89	1.09	0.02	2,087.69	1.00
3 Reserve & Surplus	-3,143.45	-47.39	12,928.97	194.91	7,996.75	-184.97
4 Total Assets	66,343.70	1,000.16	13,608.75	205.16	29,577.70	6.34
5 Total Liabilities	176.39	2.66	678.68	10.23	19,493.26	190.32
6 Investments	66,332.90	1,000.00	13,600.01	205.03	-	-
7 Turnover	-	-	-	-	0.87	-
8 Profit / (Loss) before taxation	-1.70	-0.03	18.07	0.28	-135.75	-31.91
9 Provision for taxation	-	-	1.14	0.02	-	-
10 Profit/(Loss) after taxation	-1.70	-0.03	16.93	0.26	-135.75	-31.91
11 Proposed Dividend	-	-	-	-	-	-
12 % of shareholding	100.00		80.00		79.81	100.00

Notes:

- Converted into Indian Rupees at the closing exchange rate USD 1 = INR 66.33290 and average rate USD 1 = INR 65.46107.
- These Financial statements of Subsidiaries have been audited by firm of Chartered Accountants other than Dhirubhai Shah & Doshi.
- Leading Hotels Limited is developing an all villa hotel complex, including an 18 hole golf course at Goa.
- Newtown Hospitality Private Limited ceased to be a subsidiary w.e.f. 27th July, 2015 as its shares were divested by the Company.

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

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

PRAKASH SHARMA
Vice President- Finance
(Chief Financial Officer)

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF ASIAN HOTELS (NORTH) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Asian Hotels (North) Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

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

Refer Note 26(A)(e), 26(A)(f), 26(A)(i) and 26(A)(h) to the consolidated financial statements which, describe the uncertainty related to the outcome of certain disputes and law-suits filed against the concerned companies of the Group. The impact (if any) of these disputes/law-suits on the consolidated financial statements of the Group could not be ascertained.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements / consolidated financial statements of the subsidiaries, whose financial statements / consolidated financial statements reflect total assets of Rs. 88,792.62 Lakhs as at 31st March, 2016, total revenue of Rs. 36.15 Lakhs and net cash flows amounting to Rs. 75.77 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included

ASIAN HOTELS (NORTH) LIMITED

in respect of these subsidiaries, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-A"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 26(A) to the consolidated financial statements;
 - ii. The Group has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contract; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.

For Dhirubhai Shah & Doshi

Chartered Accountants

Firm's Registration Number: 102511W

Kaushik D Shah

Partner

Membership Number: 016502

New Delhi

27th May 2016

ASIAN HOTELS (NORTH) LIMITED

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Asian Hotels (North) Limited ("the Holding Company") and its subsidiary companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 ICAI.

ASIAN HOTELS (NORTH) LIMITED

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter

For Dhirubhai Shah & Doshi

Chartered Accountants

Firm's Registration Number: 102511W

Kaushik D Shah

Partner

Membership Number: 016502

New Delhi

27th May 2016

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Notes	As at 31 st March 2016 (Rs. in Lakhs)	As at 31 st March 2015 (Rs. in Lakhs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,945.32	1,945.32
Reserves & Surplus	4	76,011.43	74,492.93
		<u>77,956.75</u>	<u>76,438.25</u>
Minority Interest		2,535.44	2,413.71
Non-Current Liabilities			
Long-Term Borrowings	5	99,498.60	87,460.43
Deferred Tax Liabilities (net)		-	2,580.65
Other Long-Term Liabilities	6	3,732.91	2,623.30
Long-Term Provisions	7	439.09	461.47
		<u>103,670.60</u>	<u>93,125.85</u>
Current Liabilities			
Short-Term Borrowings	8	9,031.71	9,087.70
Trade Payables	9	3,438.98	2,676.62
Other Current Liabilities	10	15,901.52	25,945.00
Short-Term Provisions	7	205.99	312.50
		<u>28,578.20</u>	<u>38,021.82</u>
TOTAL		<u>212,740.99</u>	<u>209,999.63</u>
ASSETS			
Non-Current Assets			
Fixed Assets	11		
Tangible Assets		134,358.67	140,125.29
Intangible Assets		54,206.59	50,278.13
Capital Work-In-Progress		15,815.18	13,326.08
Non-Current Investments		-	-
Long-Term Loans And Advances	12	2,612.58	1,940.55
Other Non-Current Assets	13	50.00	867.50
		<u>207,043.02</u>	<u>206,537.55</u>
Current Assets			
Inventories	14	797.99	458.87
Trade Receivables	15	1,066.88	985.81
Cash and Bank Balances	16	1,824.56	511.79
Short-Term Loans And Advances	12	1,943.80	1,496.99
Other Current Assets	13	64.74	8.62
		<u>5,697.97</u>	<u>3,462.08</u>
TOTAL		<u>212,740.99</u>	<u>209,999.63</u>

GROUP INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements

"As per our report of even date attached"

For **DHIRUBHAI SHAH & DOSHI**

Chartered Accountants

Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHIK D SHAH

Partner

Membership Number: 016502

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DR. LALIT BHASIN

Director & Chairman of

Audit Committee

DIN: 00001607

PRAKASH SHARMA

Vice President- Finance

(Chief Financial Officer)

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

M. No.: FCS 6224

Place: New Delhi

Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	For the year ended 31 st March 2016 (Rs. in Lakhs)	For the year ended 31 st March 2015 (Rs. in Lakhs)
INCOME			
I Revenue From Operations (gross)	17	24,098.33	23,281.82
Less: Excise Duty paid		<u>(32.33)</u>	<u>(32.60)</u>
Revenue From Operations (net)		24,066.00	23,249.22
II Other Income	18	1,400.48	3,112.37
III Total Income (I+II)		25,466.48	26,361.59
IV EXPENSES			
Consumption of Provisions, Beverages, Smokes & Others	19	3,134.14	2,943.93
Employee Benefits Expense	20	5,743.68	5,621.47
Other Expenses	21	8,110.38	10,380.96
TOTAL EXPENSES		16,988.20	18,946.36
V Earnings before interest, tax, depreciation and amortization (EBITDA) (III-IV)		8,478.28	7,415.23
Depreciation & Amortization Expense	11	2,313.94	2,952.21
Less: Adjustment with retain earning		-	(252.70)
Less: included as part of capital work-in-progress		(43.25)	(45.05)
Finance Costs	22	13,829.18	9,550.39
VI Profit/(Loss) before exceptional, prior period items, extraordinary items and tax		(7,621.59)	(4,789.62)
Exceptional Items	23	(3,216.60)	-
VII Profit/(Loss) before prior period items, extraordinary items and tax		(4,404.99)	(4,789.62)
Prior period items	24	34.49	16.81
VIII Profit/(Loss) before extraordinary items and tax		(4,439.48)	(4,806.43)
Extraordinary Items		-	-
IX Profit/(Loss) before tax		(4,439.48)	(4,806.43)
X Tax Expense			
Current Tax		1.14	0.05
Earlier Years Tax (written back)		-	(10.01)
MAT Credit Entitlement (Earlier years)		-	(7.45)
Deferred Tax Liability		(2,580.65)	301.87
Total tax		(2,579.51)	284.46
XI Profit/(Loss) for the year before Minority Interest (IX-X)		(1,859.97)	(5,090.89)
XII Attributable to Minority Interest			
Share of Profit/ (Loss)		(24.02)	(19.38)
Total		(24.02)	(19.38)
XIII Profit/(Loss) after minority interest (XI-XII)		(1,835.95)	(5,071.51)
Earnings/(Loss) Per Equity Share (in Rupees)	26		
Basic		(9.44)	(26.07)
Diluted		(9.44)	(26.07)

GROUP INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements

“As per our report of even date attached”

For **DHIRUBHAI SHAH & DOSHI**

Chartered Accountants

Firm Registration Number: 102511W

ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHIK D SHAH

Partner

Membership Number: 016502

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Vice President (Corporate) &

Company Secretary

M. No.: FCS 6224

Place: New Delhi

Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) BEFORE TAX BUT AFTER EXCEPTIONAL/EXTRA ORDINARY ITEMS	(4,439.48)	(4,806.43)
Adjustments for:		
Depreciation and amortization	2,270.69	2,654.46
Interest and finance charges	11,529.50	8,703.09
Interest & other non-operating income	(115.76)	(256.20)
Loss/(Gain) on fixed assets sold/ discarded (net)	(422.30)	(2,472.83)
Net unrealized (gain)/loss on foreign currency transaction and translation	1,725.69	641.35
Bad debts / advances written off	10.93	71.09
Provision for bad & doubtful debts/advances written back	11.85	-
Liability no longer required written back	(449.24)	(124.32)
Provision no longer required written back	(3,216.60)	(27.78)
Provision for gratuity and leave encashment	(130.76)	(37.91)
Prior period expenses/(income) (net)	34.49	16.81
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,809.02	4,361.33
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	(782.91)	164.91
(Increase)/decrease in inventories	(339.12)	152.08
Increase/(decrease) in trade payables, other liabilities and provisions	218.83	(4,342.11)
CASH GENERATED FROM OPERATIONS	5,905.82	336.21
Income taxes paid	(438.09)	(663.72)
Prior period (expenses)/income (net)	(34.49)	(16.81)
NET CASH FROM OPERATING ACTIVITIES	5,433.24	(344.32)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets		
Additions during the year	(1,502.22)	(7,121.16)
Capital work in progress		
Deductions/(additions) during the year	(4,938.56)	(1,280.84)
Proceeds from sale of fixed assets	7,869.93	6,952.98
Investments in bank deposits (with original maturity over 3 months)	(160.00)	(899.50)
Proceeds from bank deposits (with original maturity over 3 months)	244.50	212.50
Interest & other non-operating income received (revenue)	59.64	268.43
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	1,573.29	(1,867.59)

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings		
Receipts	43,374.67	23,091.19
Payments	(38,352.68)	(8,187.63)
Proceeds from short term borrowings		
Receipts	9,842.92	20,589.50
Payments	(9,898.81)	(27,315.03)
Interest and finance charges (revenue)	(11,389.87)	(8,616.59)
Dividend paid	-	(194.55)
Dividend tax paid	-	(33.06)
Change in Intangibles		
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(6,423.77)	(666.17)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	582.77	(2,878.08)
CASH AND CASH EQUIVALENTS - OPENING	456.15	3,334.23
CASH AND CASH EQUIVALENTS - CLOSING	1,038.92	456.15
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	582.77	(2,878.08)

NOTES:

- The above Cash Flow Statement has been prepared as per the "Indirect method" set out in the Accounting Standard- 3 on Cash Flow Statements.
- Figures in bracket indicate cash outflow.
- Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.
- Cash and cash equivalents at the end of the year consist of cash on hand, cheques on hand and balance with banks as follows:

	As at 31 st March 2016 (Rs. in Lakhs)	As at 31 st March 2015 (Rs. in Lakhs)
Balances with banks		
In current accounts	661.32	345.42
In deposits with original maturity of less than 3 months	340.09	73.90
Cheques, draft on hand	-	0.09
Cash on hand	37.51	36.74
	1,038.92	456.15

"As per our report of even date attached"

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

ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHIK D SHAH
Partner
Membership Number: 016502

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

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
M. No.: FCS 6224

Place: New Delhi
Dated: 27th May, 2016

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1. GROUP INFORMATION

Asian Hotels (North) Limited (the Holding Company) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Holding Company is operating a Five Star Deluxe Hotel namely Hyatt Regency in Delhi since 1982. The Holding Company has three subsidiaries as on the balance sheet date namely Finline Hospitality & Consultancy Pte Ltd., an overseas subsidiary, incorporated in Mauritius provides offshore project consultancy services; Lexon Hotel Ventures Limited is incorporated in Mauritius also provides offshore project consultancy services; Leading Hotels Limited incorporated in India is developing an all Villa Hotel Complex, including residential villas and an 18 hole, 72 pars Championship Golf Course in Goa (India). During the financial year, one of the subsidiaries named Newtown Hospitality Private Limited, ceased to exist the subsidiary of the Holding Company with effect from 27th July, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

These consolidated financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act and other accounting principles generally accepted in India, to the extent applicable. These consolidated financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

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

b) Principles of Consolidation

These consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) – “Consolidated Financial Statements”. These consolidated financial statements comprise the financial statements of the Company and its following subsidiaries: -

Name of the Company	Country of Incorporation	Effective % of holding as at 31 st March 2016	Effective % of holding as at 31 st March 2015
Finline Hospitality & Consultancy Pte Ltd (FHCPL)- an Overseas Subsidiary	Mauritius	100.00%	100.00%
Lexon Hotel Ventures Limited (Lexon), a subsidiary of FHCPL	Mauritius	80.00%(#)	80.00%(#)
Leading Hotels Limited (LHL), a subsidiary of Lexon	India	79.81%(^)	79.81%(^)
Newtown Hospitality Private Limited, a subsidiary	India	NIL(^)	100.00%

(#) i.e., 100.00% of 80.00 % held by FHCPL.

(^) i.e. 80.00% of 99.76% held by Lexon

(^^) Ceased to be subsidiary with effect from 27th July, 2015.

These consolidated financial statements have been prepared on the following basis:

- (i) the financial statements of the Holding Company, its Overseas Wholly Owned Subsidiary and its Indian Subsidiary have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions, if any, based on the special purpose audited consolidated financial statements received from the Overseas Subsidiary and audited financial statement received from the Indian Subsidiary for the year ended 31st March, 2016, in Indian Rupees as per the Indian Accepted Accounting Policies.
- (ii) These consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.
- (iii) The difference between the cost of investment in the subsidiaries and the Holding Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- (iv) Goodwill arising out of consolidation is tested for impairment at each balance sheet date.
- (v) Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Holding Company's shareholders.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SIGNIFICANT ACCOUNTING POLICIES ...contd.

Minority interest in the net assets of consolidated subsidiaries consists of:

- (a) the amount of equity attributable to the minorities at the date on which investment in Subsidiary is made; and
- (b) the minorities' share of movements in equity since the date the parent – subsidiary relationship came into existence.

Minority interests share of Net Profit / (Loss) (including share of Foreign Exchange Translation Reserve) of consolidated subsidiaries for the relevant period is identified and adjusted against the profit after tax of the group.

c) Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

d) Fixed assets, depreciation/amortisation and Capital Work-in-Progress

(i) Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss, if any, less depreciation/ amortisation. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put to use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, recognised. The Group adjusts exchange differences arising on translation/ settlement of long term foreign currency monetary items pertaining to the acquisition of depreciable assets to the cost of the asset and depreciates the same over the remaining life of the asset.

(ii) Depreciation on Tangible Fixed Assets:

- (a) Depreciation as per straight line method has been charged in the accounts based on expected useful life as specified under Schedule II of the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge.
- (b) Depreciation on leasehold improvements is being charged equally over the period of the lease.
- (c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve Account.
- (d) No depreciation is charged on the assets sold/ discarded during the year.

(iii) Amortization of Intangible Fixed Assets:

Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

(iv) Capital Work-in-Progress:

Tangible assets not ready for intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress." Capital Work-in-Progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period to be capitalized as part of construction cost to the extent to which these expenditures are specifically attributable to the construction. Interest income earned on temporary investment of funds brought in for the project during construction period has been set off from the interest expense accounted for as expenditure during the construction period.

e) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Group measures it on the basis of discounted cash flows of next five years projections estimated based on current prices.

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

f) Foreign Currency Transactions

Initial Recognition

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

Conversion

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

Exchange Differences

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

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SIGNIFICANT ACCOUNTING POLICIES ...contd.

For exchange differences arising on certain long- term foreign currency monetary items, refer to note d(ii) above on tangible fixed assets.

Foreign Subsidiaries

All the activities of the foreign subsidiaries are carried out with a significant degree of autonomy from those of the parent. Accordingly, as per the provisions of Accounting Standard - 11 (AS-11) "Effect of changes in foreign exchange rates", these operations have been classified as "Non-integral operations" and therefore all the assets and liabilities, both monetary and non-monetary, are translated at the closing rates while income and expenses are translated at the average exchange rates. The resulting exchange differences are accumulated in the foreign currency translation reserve account until the disposal of net investment.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

g) Revenue recognition

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

- (i) Revenue from rendering of hospitality services and offshore project consultancy services is recognized when the related services are performed and billed to the customer.
- (ii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Dividend income from investments is recognized when the Group's right to receive payment is established.
- (iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.
- (v) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Changes in the carrying amount of current investments are recognized in the statement of profit and loss. Non-Current investments are valued at cost. However, provision for diminution in value is made to recognize a decline that is other than temporary in the value of investments, wherever considered necessary. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

i) Inventories

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

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

j) Retirement benefits

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

- (i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the statement of profit and loss of the year when the contribution to the respective fund is due. There is no obligation other than the contribution payable to the respective fund.
- (ii) The Group also provides for retirement benefits in the form of gratuity and compensated absences/ Leave encashment in pursuance of the Group leave rules. The Group's liability towards such defined benefit plans are determined based on valuations as at the Balance Sheet date made by independent actuaries. All actuarial gains/losses arising during the accounting year are recognized immediately in the statement of profit and loss as income or expense. The classification of the Group's net obligation into current and non-current is as per the actuarial valuation report.

k) Income and Deferred Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities and tax laws prevailing in the respective tax jurisdictions.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset on unabsorbed depreciation and carry forward losses is recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2. SIGNIFICANT ACCOUNTING POLICIES ...contd.

At each balance sheet date, the Group reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

l) Borrowing costs

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

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

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

m) Earnings per equity share

Basic earning per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events such as bonus issue and shares split that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a realizable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and cash/cheques on hand and short term deposits with Banks with an original maturity of three months.

p) 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 probable that an outflow of resources will be required to settle the obligations. 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 consolidated financial statements.

q) Measurement of EBITDA

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

r) Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Group is both a lessee and a lessor under such arrangements. Payments and receipts under such leases are charged or credited to the Statement of Profit and Loss on a straight line basis over the primary period of the lease unless another systematic basis is more representative of the time pattern of the user's benefit if the payments to the lessors are not on that basis.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3 SHARE CAPITAL	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
AUTHORISED		
40,000,000 Equity Shares of Rs. 10 each	4,000.00	4,000.00
30,000,000 Preference Shares of Rs. 10 each	3,000.00	3,000.00
ISSUED, SUBSCRIBED & PAID UP		
19,453,229 Equity Shares of Rs. 10 each fully paid up	1,945.32	1,945.32
	1,945.32	1,945.32

(a) Rights, preferences and restrictions attached to Equity Shares

The Holding Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2016, the amount of per share dividend proposed as distribution to equity shareholders is Rs. Nil (31st March, 2015: Rs. Nil).

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

(b) The details of shareholders holding more than 5% shares is set out below :

Name of shareholder	31 st March 2016		31 st March 2015	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas promoter entity)	4,493,145	23.10	5,510,645	28.33
Yans Enterprises (H.K.) Limited, (an overseas promoter entity)	5,336,880	27.43	5,336,880	27.43
Mr. Shiv Kumar Jatia (Chairman & Managing Director & Promoter)	2,668,027	13.72	2,668,027	13.72
Asian Holdings Private Limited (a domestic promoter entity)	1,602,664	8.24		

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

(c) The reconciliation of the number of shares outstanding as at 31st March, 2016 and 31st March, 2015 is set out below:

Particulars	As at	
	31 st March 2016	31 st March 2015
Equity Shares of Rs. 10 each fully paid		
Number of shares in the beginning	19,453,229	19,453,229
Add: Shares issued during the year	-	-
Less: Shares bought back	-	-
Number of shares at the end	19,453,229	19,453,229

4 RESERVES & SURPLUS	Additions (Rs. in Lakhs)	Deductions (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Capital Reserve	-	-	725.73	725.73
Capital Redemption Reserve for redeemed NCPS	-	-	990.00	990.00
Securities Premium Account	-	-	32,994.83	32,994.83
General Reserve	86.76	-	3,920.72	3,833.96
Tourism Development Utilized Reserve	-	-	5,332.02	5,332.02
Foreign Exchange Translation Reserve	3,354.45	-	7,880.24	4,525.79
Revaluation Reserve	-	(86.76)	19,161.72	19,248.48
Surplus in Statement of Profit and Loss	-	(1,835.95)	5,006.17	6,842.12
	3,441.21	(1,922.71)	76,011.43	74,492.93

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

4 RESERVES & SURPLUS ...contd.	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)		
(a) Deduction to Revaluation Reserve represents amount withdrawn on account of depreciation during the year.				
(b) General Reserve				
Opening balance	3,833.96	3,747.19		
Add: Transferred from revaluation reserve	86.76	86.77		
Add: Transferred from Statement of Profit and Loss	-	-		
Closing balance	3,920.72	3,833.96		
(c) Surplus in Statement of Profit and Loss				
Opening balance	6,842.12	12,084.34		
Add: Profit/(Loss) for the year	(1,835.95)	(5,071.51)		
Less: Depreciation Adjustment	-	(170.71)		
Amount available for appropriation	5,006.17	6,842.12		
Less: Appropriations				
Proposed Dividend on Equity Shares	-	-		
Dividend Distribution Tax	-	-		
Amount transferred to general reserve	-	-		
Total	-	-		
Closing balance	5,006.17	6,842.12		
5 LONG TERM BORROWINGS	NON-CURRENT	CURRENT		
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
SECURED LOANS				
TERM LOANS				
FROM BANKS				
DBS Bank Limited				
- External commercial borrowings (USD 382.53 Lakhs and SGD 227.29 Lakhs Previous Year USD 506.77 Lakhs and SGD 236.88 Lakhs)	32,846.24	34,167.14	3,700.00	8,359.97
Axis Bank Limited-Rupee loan	10,500.00	19,775.00	-	-
Bank of Maharashtra-Rupee Loan	24,141.00	-	-	-
IDBI Bank Limited-Rupee loan	4,950.00	5,700.00	750.00	300.00
ING Vysya Bank Limited-Rupee loan	1,521.59	5,719.74	188.91	647.23
Yes Bank Limited-Rupee loan	19,299.35	16,991.45	-	-
For acquisition of vehicles				
ICICI Bank Limited- Rupee loan	257.71	35.52	85.45	138.53
Axis Bank- Rupee loan	-	3.33	3.33	25.67
For business of generation of electricity (Refer Note 30 on Segment Reporting)				
ING Vysya Bank Limited-Rupee loan	-	146.89	146.83	96.25
FROM FINANCIAL INSTITUTION				
IFCI Limited- Rupee loan	4,444.44	3,500.00	555.56	-
Equipment Loan - SREI	125.59	-	24.75	-

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

5 LONG TERM BORROWINGS ...contd.

	NON-CURRENT		CURRENT	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
For acquisition of vehicles				
Kotak Mahindra Prime Limited - Rupee loan	228.34	148.53	124.21	57.56
BMW Financial Services	9.47		26.23	
UNSECURED LOANS				
Loan from:				
Corporate (Inter-corporate Loans)	342.90	470.57	223.23	919.80
Interest Free foreign currency loan from:				
Promoter Directors	792.69	747.97	-	-
Group Companies	39.28	54.29	-	-
	99,498.60	87,460.43	5,828.50	10,545.01
Amount disclosed under the head "Other Current Liabilities" (Note 11)			(5,828.50)	(10,545.01)
	99,498.60	87,460.43	-	-

Nature of security and terms of repayment for secured long term borrowings:

- DBS Bank Limited - External commercial borrowings (carried interest margin over LIBOR / SIBOR from 3.10% to 3.25% per annum) are secured / to be secured by first pari-passu charge of land & building of Hotel Hyatt Regency Delhi (excluding Serviced Apartment Tower and land underneath); personal guarantee of Chairman & Managing Director, pledge of shares representing Company's investment in foreign subsidiary company. External commercial borrowings are repayable as under: (i) SGD 227.29 Lakhs is payable in 48 unequal quarterly installments commencing from June 2018; (ii) USD 310.05 Lakhs is payable in 48 unequal quarterly installments commencing from June 2018 and; (iii) USD 72.48 Lakhs is payable in 48 unequal quarterly installments commencing from June 2018.
- Axis Bank Limited - Rupee loan (carried interest from @12.60% to 12.90% per annum) was secured by first charge on six floors (Serviced Apartments) in the new tower/ building in the existing Hyatt Regency Hotel complex, second exclusive mortgage charge on the land and building pertaining to the existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and personal guarantee of Chairman & Managing Director. The loan was repayable in unequal quarterly installments up to March 2023 which commenced from December 2014. This loan has been repaid full during the year.
- Axis Bank Limited - Rupee loan of Rs. 10,500 Lakhs (Amount sanctioned Rs. 16,200 Lakhs) (carried interest @ 12.00% per annum) secured by first pari-passu on entire unsold area measuring appx. 70,000 sq. ft. (Super Built Area) in the new tower, part of commercial hotel plot in Bhikaji Cama Place, New Delhi, first pari-passu charge on the cash flows of the company, first pari-passu charge on the land and building pertaining to the existing hotel complex, first pari-passu hypothecation charge on the moveable fixed assets and current assets of the company, both present and future and personal guarantee of Chairman and Managing Director. This loan has been obtained for the purpose of re-financing of existing loans. The loan is repayable in unequal 48 quarterly installments commencing from June 2018.
- IDBI Bank Limited - Rupee Loan Rs. 5,700 Lakhs (carried interest @12.50% to 13.00% per annum) is secured by first pari-passu charge on land and building of existing Hotel block (Hyatt Regency Delhi); unconditional and irrevocable personal guarantee of Chairman & Managing Director and pledge of 15% shares of company's one of the subsidiary. This loan was repayable in 18 unequal quarterly installments which commenced from October 01, 2015.
- ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited) - Rupee loan (carrying interest from @ 11.85% to 12.10% per annum) was secured by exclusive mortgage charge on the two floors along with 3000 square ft. of the Sixth Floor (Serviced Apartments) in the new tower/ building in existing Hyatt Regency Hotel complex, first pari-passu hypothecation charge on the moveable fixed assets of the Company - both present & future and personal guarantee of Chairman & Managing Director. This loan was repayable in 84 monthly installments up to September 2020, repayment started from October 2013. This loan has been repaid during the year.
- ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited)- Rupee loan Rs. 1,710.50 Lakhs (carried interest @ 12.35% per annum) is secured by pari-passu charge on new tower ground, lobby level floor, exclusive charge mortgage on 3000 sq. ft. of sixth floor and personal guarantee of Chairman and Managing Director, repayable in 84 monthly installments up to May 2021, repayment started from June 2014.
- Yes Bank Limited - Rupee loan (carried interest @ 12.50% per annum) was secured by first pari-passu charge on land & building of Hyatt Regency Delhi, second pari-passu charge on current assets (both present and future); unconditional and irrevocable personal guarantee of Chairman & Managing Director and was repayable in 32 quarterly installments by January 2024 starting from April 2016. Outstanding balance as on 31st March, 2015 was Rs. 5,000 Lakhs. This loan has been repaid during the year.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

5. LONG TERM BORROWINGS ...contd.

- (h) Yes Bank Limited - Rupee loan of Rs. 5,500 Lakhs (carried interest @ 10.50% to 10.75% per annum) is secured by first pari-passu charge on Land & Building of Hyatt Regency Delhi Hotel, second pari-passu charge on current assets of the borrower (excluding commercial/serviced apartment block) and a personal bank guarantee of Chairman and Managing Director. The loan is repayable in 48 structured quarterly installments starting from October 2018.
- (i) Yes Bank Limited - Term loan of Rs. 13,799.35 Lakhs (carried interest @ 11.37% per annum) has been secured by Mortgage of land and building of Goa Hotels Project on land admeasuring 160 acres and by charges over moveable fixed assets (excluding vehicle) and current assets of Goa Hotels Project.
- (j) Bank of Maharashtra (Term Loan I) of Rs. 19,775 Lakhs (carried interest @ 10.95% to 11.25% floating with monthly rests) - is secured by 1st pari-passu charge on land and building of Hotel Hyatt Regency, District Centre, R.K.Puram, Bhikaji Cama Place, M.G. Marg, New Delhi 110066 & personal guarantee of the Chairman & Managing Director. The loan is payable in 48 unequal quarterly installments commencing from June 2018.
- (k) Bank of Maharashtra (Term Loan II) of Rs. 4,366 Lakhs (carried interest @ 10.95% to 11.50% floating with monthly rests) - is secured by 1st pari-passu charge on land & building of Hotel Hyatt Regency, District Centre, R.K.Puram, Bhikaji Cama Place, M.G.Marg, New Delhi 110066 & personal guarantee of Chairman and Managing Director. The loan is payable in 48 unequal quarterly installments commencing from June 2018.
- (l) ICICI Bank - Rupee loan (carried interest @ 11.41% per annum) is secured against hypothecation of 16 vehicles. Balance repayable in monthly installments up to June 2016.

ICICI Bank - Rupee loan (carried interest @ 9.84% per annum) is secured against hypothecation of 14 vehicles. Balance repayable in monthly installments up to December 2020.

The aggregate values of the vehicle loans from ICICI Bank aggregate to Rs. 343.16 Lakhs

- (m) ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited) - Rupee loan of Rs. 146.83 Lakhs for business of generation of electricity (carried interest @ 11.65% to 12.10% per annum) is secured by first charge and /or hypothecation of freehold land, plant & machinery and book-debts pertaining to the windmill situated at Sinner in Maharashtra and personal guarantee of Chairman & Managing Director. Balance repayable in 3 equal installment up to October 2016.
- (n) Axis Bank - Rupee loan of Rs. 3.33 Lakhs for acquisition of vehicles (carried interest @ 10.5% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to July 2016.
- (o) IFCI Ltd - Rupee Loan of Rs. 5,000 Lakhs (Carried interest @ 14.95% per annum) is secured by first pari-passu charge on land & building of Hyatt Regency Delhi (excluding Serviced Apartment Tower and land underneath) and second charge on a portion of the property i.e. 6 floors from first floor to sixth floor with super built-up measuring 51,881 sq. ft. in the Serviced Apartment Tower, first charge and/or hypothecation of freehold land, plant and machinery situated at Sanghli in Maharashtra and personal guarantee of Chairman and Managing Director. Repayable in 18 equal installments commencing from 15th October, 2016.
- (p) Kotak Mahindra Prime Limited - Rupee loan for acquisition of vehicles (carried interest @ 8.75% to 10.45% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to December 2018.

Kotak Mahindra Prime Limited - Rupee loan for acquisition of vehicles (carries interest @ 9.00% to 10.00% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to May 2020.

Kotak Mahindra Prime Limited - Rupee loan for acquisition of vehicles (carries interest @ 9.00% to 10.00% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to February 2021.

Kotak Mahindra Prime Limited - vehicle loans (carried interest @ 9.76% to 15.32% per annum) are secured by hypothecation of respective vehicles, balance repayable in monthly installments up to May 2019.

The aggregate values of the vehicle loans outstanding from Kotak Mahindra Prime Ltd aggregates to Rs. 352.55 Lakhs

- (q) BMW Financial Services - Rupee loan of Rs. 35.70 Lakhs for acquisition of vehicles (carried interest @ 12.21% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly installments up to July 2017.
- (r) SREI Equipment Finance Ltd - Rupee Loan of Rs. 150.34 Lakhs for acquisition of equipment (carried interest @ 14.25% per annum) is secured against the power saving equipment acquired from the loan. Balance is payable in equal monthly installments up to October 2020 starting from December 2015
- (s) There is no continuing default in repayment of loans and interest as on 31st March, 2016 *except one instance wherein the Holding Company has delayed the repayment of interest on foreign currency term loans as per the details given below:*

Particulars	Amount of continuing default (Rs. in Lakhs)	Period of default
Name of the lender: DBS Bank Limited (ECB - I)	137.58	From 29 th March, 2016 to 31 st March, 2016. Subsequent payment made good on 7 th April, 2016

- (t) Inter-Corporate Loans carried interest rate of 15% per annum, secured by mortgage of land admeasuring 46100 sq. metre.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

5. LONG TERM BORROWINGS ...contd.

(u) The details of repayment of long term borrowings as at 31st March, 2016 are as follow:

Particulars	Up to 1 year	2 to 5 years	Above 5 years	Total
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
Secured term loans				
From banks	4,874.52	14,800.36	78,715.53	98,390.41
From financial institution	730.75	4,807.84	-	5,538.59
Unsecured Loans	223.23	1,174.84	-	1,398.07
Total	5,828.50	20,783.04	78,715.53	105,327.07

6 OTHER LONG-TERM LIABILITIES

31st March 2016 31st March 2015
(Rs. in Lakhs) (Rs. in Lakhs)

Shop and Other security deposits received	1,682.30	1,680.30
Advance and deposits for Villa and Development rights	2,050.61	943.00
	3,732.91	2,623.30

(a) The above includes Rs. 177.33 (Previous Year Rs. 177.33 Lakhs) received as refundable interest free security deposit against leasing of shopping space in Hotel Hyatt Regency and Rs. 1,500.00 Lakhs (Previous Year Rs. 1,500 Lakhs) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

(b) Advances & Deposits for Villa & Development rights represents deposit for development rights and advances and deposits from prospective buyer of Villas constituents forming part of an All Villa Hotel Complex, Goa.

7 PROVISIONS

	LONG-TERM		SHORT-TERM	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Provision for employee benefits				
Gratuity	347.84	371.96	172.14	267.04
Leave encashment	91.25	89.51	9.81	21.41
Provision for taxation (net of advance income tax)	-	-	24.04	24.05
Proposed dividend on equity shares	-	-	-	-
Corporate dividend tax	-	-	-	-
	439.09	461.47	205.99	312.50

8 SHORT-TERM BORROWINGS

31st March 2016 31st March 2015
(Rs. in Lakhs) (Rs. in Lakhs)

SECURED LOANS

FROM BANKS

Term Loans

- ING Vysya Bank Limited	-	1,531.78
	-	1,531.78

Loans repayable on demand from banks

Overdraft facilities

-DBS Bank Limited	1,442.38	1,872.29
-Yes Bank Limited	-	445.69
-ING Vysya Bank Limited	-	38.62
-IDBI Bank	1,486.69	1,489.32
-Axis Bank	108.28	-
	3,037.35	3,845.92

UNSECURED LOANS

Others

- Inter-corporate deposits (carries interest @ 10% to 24%)	5,994.36	3,710.00
	5,994.36	3,710.00
	9,031.71	9,087.70

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

8. SHORT-TERM BORROWINGS ...contd.

- (a) DBS Bank Limited - Overdraft facilities (carried interest @ 12.00% per annum) and is secured against first pari-passu charge of land and building of Hotel Hyatt Regency, Delhi (excluding Serviced Apartment tower and land underneath) and pledge of shares representing Holding Company's investment in foreign subsidiary company.
- (b) Yes Bank Limited - Over draft facilities (carried interest @ 11.50% per annum) was secured by pledge on shareholding of Chairman and Managing Director, his associates, Asian Holdings Private Limited's holding in the Company, unconditional and irrevocable personal guarantee of Chairman and Managing Director. This overdraft facility has been withdrawn during the financial year.
- (c) ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited) - Overdraft facilities (carried interest @ 12.10% per annum) was secured against hypothecation of Land, Plant and Machinery of windmill situated at Sinner, Maharashtra and 2nd Floor of the Serviced Apartment at Hyatt Regency Delhi.
- (d) ING Vysya Bank Limited (Now Kotak Mahindra Bank Limited) - Term loan was secured by Mortgage of land at the interest rate of 12.05% per annum and has been repaid in 9 equal monthly installment starting from 31st October, 2013.
- (e) Inter-Corporate Loans carried interest rate from 10% to 24% per annum
- (f) IDBI Bank Limited - Overdraft facilities (carried interest @ 12.50% to 12.75% per annum) is secured against first pari-passu charge on Hyatt Regency, Delhi (excluding Serviced Apartment Tower) and pledge of 15% shares of one of the subsidiary of the company.
- (g) Axis Bank Limited - Overdraft facilities (carried interest @ 11.95% to 12.30% per annum) and is secured by first pari-passu on entire unsold area measuring approx 70,000 sq. ft. (Super Built Area) in the new tower, part of commercial hotel plot in Bhikaji Cama Place, New Delhi, first pari-passu charge on the cash flows of the company, first pari-passu charge on the land & building pertaining to the existing hotel complex, first pari-passu hypothecation charge on the movable fixed assets and current assets of the company, both present and future and personal guarantee of Chairman and Managing Director.

9 TRADE PAYABLES

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Trade Payables		
-For goods and services*	<u>3,438.98</u>	<u>2,676.62</u>
	3,438.98	2,676.62

* includes due to Micro, Small & Medium Enterprises

10 OTHER CURRENT LIABILITIES

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Current maturities of long term borrowings (Refer Note 5)	5,828.50	10,545.01
Interest accrued and due on borrowings	300.09	115.72
Interest accrued but not due on borrowings	1,102.53	1,147.27
Unpaid/ Unclaimed Dividend	20.50	23.50
Other Payables		
Advance from customers	1,482.89	839.77
Payables for capital goods	247.70	603.50
Security deposits (Interest free)	371.92	5,069.73
Statutory liabilities	2,673.59	5,675.03
Others	3,873.80	1,925.47
	<u>15,901.52</u>	<u>25,945.00</u>

- (a) Security deposits (interest free) includes Rs. Nil (Previous Year Rs. 1,300.00 Lakhs) received from a company in which certain relatives of directors of the Holding Company are interested, Rs. Nil (Previous Year Rs. 1,330 Lakhs) received from Newtown Hospitality Pvt. Ltd. (a subsidiary company, which ceased to be so w.e.f 27th July, 2015) and Rs. Nil (Previous Year Rs. 3,690.00 Lakhs) received from other entities against expression of interest for a Joint Venture in respect of its KOLKATA PROJECT. {Refer Note 12(a) to the consolidated financial statements}. All these security deposits are subject to agreements/ memorandum of understandings.
- (b) Statutory liabilities includes provision for difference of property tax along with interest thereon amounting to Rs. 1,693.11 Lakhs (Previous Year Rs. 5,159.27 Lakhs) {Refer Note 23 to the consolidated financial statements}.
- (c) There are no amounts due for payment to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11 FIXED ASSETS

Description	GROSS BLOCK			DEPRECIATION/ AMORTISATION/ IMPAIRMENT			NET BLOCK				
	As at 01.04.2015	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2016	Up to 31.03.2015	For the year	Deductions/ Adjustments during the year	Impairment	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible assets											
Land (freehold)	99,217.71	1,075.82	7,384.54	92,908.99	-	-	-	-	-	92,908.99	99,217.71
Buildings	30,179.21	855.91	2.67	31,032.45	2,535.97	503.65	0.44	-	3,039.18	27,993.27	27,643.24
Plant and Equipments	15,317.82	644.39	14.92	15,947.29	5,540.46	971.15	11.34	-	6,500.27	9,447.03	9,777.36
Furniture Fixtures and Furnishings	7,056.70	881.18	-	7,937.88	4,379.17	627.08	-	-	5,006.25	2,931.63	2,677.53
Vehicles	1,279.70	495.05	272.01	1,502.74	597.01	156.06	217.05	-	536.02	966.72	682.68
Office Equipments	94.73	13.56	-	108.29	56.99	14.52	-	-	71.51	36.78	37.74
Computers	577.96	29.02	46.38	560.60	488.93	41.48	44.06	-	486.35	74.25	89.03
Total	153,723.82	3,994.93	7,720.52	149,998.24	13,598.53	2,313.94	272.89	-	15,639.58	134,358.67	140,125.29
Intangible assets											
Goodwill on consolidation	55,397.74	3,928.45	-	59,326.19	5,119.60	-	-	-	5,119.60	54,206.59	50,278.14
Total	55,397.74	3,928.45	-	59,326.19	5,119.60	-	-	-	5,119.60	54,206.59	50,278.14
Grand Total	209,121.56	7,923.38	7,720.52	209,324.43	18,718.13	2,313.94	272.89	-	20,759.18	188,565.26	190,403.43
Previous Year	194,871.13	18,974.83	4,724.40	209,121.56	16,010.17	2,952.21	244.25	-	18,718.13		
Capital work in progress (Refer Note 11A)										15,815.18	13,326.08
										204,380.44	203,729.51

(a) The Holding Company, based on the report by a Certified Valuer, had revalued land and building of Hotel Hyatt Regency Delhi (the land and building being more than twenty years old) by adopting Cost of Contractor's method, on 28th February, 2007 at Rs. 85,700 Lakhs. The same resulted in an increase in the value of land and building of an amount of Rs. 82,131.81 Lakhs, and therefore, an equivalent amount had been credited to the Revaluation Reserve.

(b) Due to increase in the value of assets, as stated above, there was an additional charge of Rs. 86.77 Lakhs (Previous Year Rs. 86.77 Lakhs) for the current year, on account of depreciation. Resultantly, an equivalent amount of Rs. 86.77 Lakhs (Previous Year Rs. 86.77 Lakhs) has been withdrawn from the Revaluation Reserve and credited to the General Reserve (Previous Year credited to the General Reserve).

(c) Goodwill on consolidation represents arisen on consolidation, addition/ deletion in value of goodwill represents changes due to exchange rate fluctuations. The Group has carried out an impairment testing of its all assets. Impairment has been provided on goodwill arisen on consolidation amounting to Rs. Nil (Previous Year Rs. Nil) as required in terms of Accounting Standard 28 on Impairment of Assets.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11 FIXED ASSETS ...contd.

	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
(d) Building includes leasehold improvement:		
Gross value	69.86	69.86
Accumulated Depreciation	49.69	44.33
Depreciation charge for the year	5.36	6.38
Net value	20.17	25.53
(e) Vehicles includes those financed:		
Gross value	1,351.46	928.45
Net value	907.87	589.05
(f) Land -Freehold and Plant & Machinery includes assets relating to the business of generation of electricity (Refer Note 31 on Segment Reporting)		
Land - Freehold		
Gross value	34.00	34.00
Net value	34.00	34.00
Plant & Machinery		
Gross value	1,857.02	1,857.02
Net value	1,121.73	1,195.22
(g) Kolkata land was allotted and registered in the name of the company in the financial year 2014-15. During the financial year, the company has executed a sale deed for the said land in Kolkata and the gain arising out of the said sale / transfer has been included in "Other Income".		

11A. Capital Work-in-Progress consists of:

	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Balance at the beginning of the year	13,326.08	14,288.40
Building under construction	271.49	645.57
Project Development Expenses (including Project Design, Technical and consultancy fees)	1,087.68	920.86
Kitchen Equipments	52.04	385.51
Mock up room cost	-	-
Plant and Equipments under installation	7.51	60.59
Plumbing and sanitation	20.47	17.96
Air conditioning under installation	33.18	141.15
Generators under installation	-	-
Elevators under installation and others	99.98	-
Furniture and Fixtures	420.33	977.48
Fire fighting equipments	19.46	113.75
Office, Housekeeping and other equipments	-	26.33
Music, TV and Cinematograph	0.63	45.06
Electrification	18.04	168.25
Expenditure during construction {Refer Note (a) below}	2,951.01	4,771.21
	18,307.89	22,562.12
Less: Capitalized during the year	(2,492.70)	(9,236.04)
Balance at the end of the year	15,815.18	13,326.08

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11A. Capital Work-in-Progress consists of: ...contd.

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

	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
STATEMENT OF EXPENDITURE DURING CONSTRUCTION		
Employee benefits expenses	212.42	184.11
Rent	24.47	35.64
Loan processing and arranging fees	0.93	2,247.20
Legal and professional charges	22.86	27.83
Rates and taxes	-	156.43
Site office running expenses	241.17	45.47
Insurance cost	1.17	1.08
Travelling expenses	145.25	168.66
Interest expenses	2,059.54	1,549.99
Depreciation	43.25	45.05
Net loss on foreign currency transaction and translation	-	31.40
Miscellaneous	199.95	278.35
	2,951.01	4,771.21

- (b) Interest expenses and net loss on foreign currency transaction and translation are related to certain loans (including foreign currency external commercial borrowings) taken for projects under construction.
- (c) The Ministry of Corporate Affairs vide Notification dated March 31, 2009, as amended from time to time, had given an option to the companies whereby the exchange differences pertaining to long term foreign currency monetary items relating to acquisition of a depreciable asset can be added to or deducted from the cost of asset and shall be depreciated over the balance life of the asset. The Group had adopted the said option (wherever applicable) given under paragraph 46 of Accounting Standard (AS) 11. Accordingly, the total net loss on foreign currency transaction and translation on long term foreign currency loans relating to projects under construction is included in capital work-in-progress, as a part of fixed assets.

12 LOANS AND ADVANCES

(Unsecured, considered good, unless stated otherwise)	NON-CURRENT		CURRENT	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Capital advances				
Considered good	755.01	546.12	170.91	-
Considered doubtful	21.18	21.18	-	-
Security Deposits	138.28	92.43	19.55	18.60
Other loans and advances				
Advances recoverable in cash or in kind or for value to be received*	15.82	21.16	933.65	1,045.05
Inter Corporate Loans**	-	-	-	0.62
Prepaid expenses	-	12.71	388.84	318.65
Advance Income Tax (net of provision)	925.32	489.98	-	-
Minimum Alternate Tax (MAT) Credit Entitlement	778.15	778.15	-	-
Service tax recoverable	-	-	386.24	80.54
Value Added Tax (VAT) recoverable	-	-	44.61	33.53
Less: Provision for doubtful capital advances	(21.18)	(21.18)	-	-
	2,612.58	1,940.55	1,943.80	1,496.99

*includes loans to employees 15.82 21.16 3.00 4.40

**includes loans to Deuchny Properties Ltd. - - - 0.62

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

13 OTHER ASSETS (Unsecured considered good)	NON-CURRENT		CURRENT	
	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Interest accrued on fixed deposits with banks	-	-	64.74	8.62
Non-current bank balances (Refer Note 16 to the consolidated financial statements)	50.00	867.50	-	-
	50.00	867.50	64.74	8.62
14 INVENTORIES (valued at lower of cost and net realizable value)			31st March 2016 (Rs. in Lakhs)	31st March 2015 (Rs. in Lakhs)
Wines and Liquor			378.24	162.85
Provisions, other beverages and smokes			151.52	53.72
Crockery, cutlery, silverware, linen etc.			178.34	142.36
General stores and spares			89.89	99.94
			797.99	458.87
- As per inventory taken and valued by the Management				
15 TRADE RECEIVABLES (Unsecured)			31st March 2016 (Rs. in Lakhs)	31st March 2015 (Rs. in Lakhs)
Outstanding for a period exceeding six months				
Considered good			119.66	34.57
Considered doubtful			0.69	0.69
Others				
Considered good			947.22	951.24
Considered doubtful			17.97	6.11
			1,085.54	992.61
Less: Provision for doubtful debts			(18.66)	6.80
			1,066.88	985.81
Trade receivables includes:				
-due from Energy Infrastructure (I) Limited, a company in which director of the Holding Company is director			-	0.28
-due from Bhasin & Co., a firm in which director of the Holding Company is proprietor			4.57	2.07
-due from an officer of the Holding Company			1.00	0.02
-debts related to generation of electricity business (Refer Note 30 to the consolidated financial statement on Segment Reporting)			108.01	15.10
16 CASH AND BANK BALANCES			31st March 2016 (Rs. in Lakhs)	31st March 2015 (Rs. in Lakhs)
Cash and Cash Equivalents				
Balances with banks				
In Current Accounts			661.32	345.42
In Deposits with original maturity of less than 3 months*			340.09	73.90
Cheques, drafts on hand			-	0.09
Cash on hand			37.51	36.74
			1,038.92	456.15

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

16 CASH AND BANK BALANCES contd.	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Other Bank Balances		
Balances with banks		
In Unpaid Dividend Accounts #	20.59	23.59
In Deposits with original maturity of more than 3 months but less than 12 months**	765.05	32.05
In Deposits with original maturity of more than 12 months***	50.00	867.50
	835.64	923.14
Amount disclosed under Non-Current Assets (Note 13 to the consolidated financial statements)	(50.00)	(867.50)
	1,824.56	511.79
# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.09	0.09
* under lien against guarantee given for loan taken by the Holding Company	238.50	-
* includes as margin money deposit against borrowings from banks	96.00	64.00
** under lien against guarantee given for loan taken by the Holding Company	655.00	-
** includes as margin money deposit against borrowings from banks	110.00	32.00
*** includes as margin money deposit against borrowings from banks	50.00	867.50
17 REVENUE FROM OPERATIONS	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Room revenue	10,255.81	10,315.80
Wines and liquor	1,930.12	2,153.43
Food, other beverages, smokes & banquets	8,682.70	7,545.39
Communications	42.47	53.29
Others*	3,187.23	3,213.91
	24,098.33	23,281.82
* Includes related to generation of electricity business (Refer Note 30 to the consolidated financial statements on Segment Reporting)	231.76	182.24
18 OTHER INCOME	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Interest Received/Receivable		
From banks	88.24	170.72
From others	27.47	85.48
Excess provisions no longer required written back	34.73	27.78
Credit balances written back	449.24	124.32
Net gain on sale of fixed assets	422.30	2,472.83
Net gain on foreign currency transaction and translation (other than considered as finance cost)	375.36	224.71
Miscellaneous Income	3.14	6.53
	1,400.48	3,112.37

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

19 CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS	31st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
WINES & LIQUOR		
Opening Stock	162.85	304.92
Add : Purchases	898.37	455.78
	<u>1,061.22</u>	<u>760.70</u>
Closing Stock	(378.24)	(162.85)
	<u>682.98</u>	597.85
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	53.72	68.44
Add : Purchases	2,548.96	2,331.36
	<u>2,602.68</u>	<u>2,399.80</u>
Closing Stock	(151.52)	(53.72)
	<u>2,451.16</u>	<u>2,346.08</u>
	<u>3,134.14</u>	<u>2,943.93</u>
Percentage of total consumption between:		
Indigenous 62.24% (Previous Year 72.73%)	1,950.69	2,141.12
Imported 37.76% (Previous Year 27.27%)	1,183.45	802.81
 20 EMPLOYEE BENEFITS EXPENSES	 31st March 2016	 31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Salaries and Wages	4,027.20	4,102.13
Contribution to Provident and other funds	206.73	210.49
Contract labour & services	888.58	754.77
Staff welfare expenses*	529.95	492.29
Recruitment and training	91.22	61.79
	<u>5,743.68</u>	<u>5,621.47</u>
* includes :		
Cost of provisions consumed in staff cafeteria	194.42	199.61
Realization on sale of food coupons to staff	(32.88)	(37.80)
 21 OTHER EXPENSES	 31st March 2016	 31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	657.55	708.54
Operating equipment and supplies written off	253.15	328.40
Fuel, power and light (net)	1,812.34	1,846.90
Repairs, maintenance and refurbishing *	858.80	858.43
Rent	118.42	34.75
Rates and taxes**	259.52	2,546.62
Insurance	159.07	116.44
Data processing charges	145.99	130.11
Directors' sitting fee and Commission	5.25	9.12
Legal and professional charges	390.24	444.79

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

21 OTHER EXPENSES contd.	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Payment to the auditors***	45.46	48.72
Artist fee	3.30	9.81
Stationery and printing	86.27	76.68
Travelling and conveyance	283.68	320.70
Guest transportation	333.14	291.14
Communication (including telephones for guests)	148.09	157.82
Technical services	1,083.92	883.68
Advertisement and publicity	553.45	484.95
Commission and brokerage	783.71	828.25
Charity and donations	24.42	10.14
Corporate Social Responsibility (CSR) expenses (Refer Note.31)	-	59.45
Provision for doubtful debts/ advances	11.85	27.98
Bad debts / advances written off (net)	10.93	71.09
Miscellaneous	81.83	86.45
	8,110.38	10,380.96
* includes:		
Repairs to buildings	166.10	175.26
Repairs to machinery	488.33	529.97
** includes Rs. Nil (Previous Year Rs. 138.52 Lakhs) including interest of Rs. Nil (Previous Year Rs. 44.30 Lakhs) for payment of service tax liability pertaining to earlier years based on service tax audit conducted by Service Tax Department.		
*** Payments to the auditors for (including service tax)		
Statutory audit	36.87	36.92
Tax audit	4.58	5.62
Limited Review and certification	3.44	5.06
Other Services	0.57	1.12
	45.46	48.72
22 FINANCE COSTS	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Interest expenses	9,262.80	8,451.57
Other borrowing costs (including bank charges)	2,266.70	251.52
Applicable net loss on foreign currency transactions and translation {Refer Note 2(l) to the consolidated financial statements on borrowing costs}	2,299.68	847.30
	13,829.18	9,550.39
23 EXCEPTIONAL ITEMS	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
Adjustment on account of disputed property tax as per legal advise received	(3,216.60)	-
	(3,216.60)	-

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

23 EXCEPTIONAL ITEMS ...contd.

Municipal Corporation of Delhi (MCD) introduced a new computation method for levy of Property Tax effective 1st April, 2004 namely "Unit Area Method". Under this method, Five Star Hotels were supposed to pay property tax based on a user factor of 10, which was challenged by way of a joint writ petition filed by The Federation of Hotels & Restaurants Association of India (FHRAI) and the Company, before the High Court of Delhi, which is pending for final adjudication. The Holding Company revisited the provision made earlier for Property Tax and interest thereon from a user factor of 10 to a user factor 4, in view of the interim order of the High Court of Delhi dated 23rd May, 2014 and legal advice received. Accordingly, the excess provision of Rs. 3,216.60 Lakhs has been reversed.

24 PRIOR PERIOD ITEMS	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Salaries and Wages	-	0.72
Staff welfare expenses	0.03	-
Repair, maintenance and refurbishing	26.44	4.83
Rates and taxes	-	-
Insurance	-	5.41
Data processing charges	-	0.97
Legal and professional expenses	16.83	2.85
Travelling and conveyance	-	0.14
Communication (including telephones for guests)	-	-
Advertisement and publicity	-	-
Miscellaneous	0.76	2.93
Technical services income	-	-
Other services income	(9.94)	(1.04)
Bank Charges	0.37	-
	34.49	16.81

25 EARNING PER EQUITY SHARE	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Profit/(Loss) for the year	(1,835.95)	(5,071.51)
Weighted average number of equity shares outstanding	19,453,229	19,453,229
Nominal value per share (in Rupees)	10.00	10.00
Earning /(Loss) Per Equity Share - Basic and Diluted (in Rupees)	(9.44)	(26.07)

26 CONTINGENT LIABILITIES AND COMMITMENTS	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
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A CONTINGENT LIABILITIES

(a) Claims against the Group not acknowledged as debts*	20.00	20.00
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*Pertains to cases filed by the certain employees of the the Holding Company.

(b) Income tax demand / liabilities not provided for *	5.10	85.79
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* Includes income tax demand of Rs. 5.10 Lakhs (Previous Year Rs. 5.53 Lakhs) on the Holding Company

* includes contingent liability of Rs. NIL (Previous Year Rs. 80.26 Lakhs) on account of withholding tax on payment to a foreign service provider, considered as per the latest order of the assessing officer in this regard. The appellate authority has however, held that withholding tax is not applicable on payment to the said service provider, accordingly the Holding Company has approached the assessing officer for issue of a certificate of no tax deduction, as per the provisions of the Income Tax Act, 1961.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

26 CONTINGENT LIABILITIES AND COMMITMENTS ...contd.	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
(c) Service tax demand not provided for *	254.53	401.10
<p>* pertains to a demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs (Previous year Rs. 401.10 Lakhs) which includes penalty demand of Rs. 250.00 Lakhs and excluding interest for earlier years up to 2007, against which the Holding Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi on 11th March, 2014. Since the Holding Company had already deposited the service tax payable, as determined by the tax authorities, before issuance of the show cause notice for levy of the penalty, it is contesting before the above appellate authorities that it is not liable to pay any penalty and interest.</p>		
(d) Additional bonus liability for the financial year 2014-15 owing to amendment made in "The Payment of Bonus Act, 1965" w.r.e.f. 1 st April, 2014, has not been provided for as the matter is subjudice before various High Courts in the country.	-	-
(e) The Holding Company has received a notice from Debt Recovery Tribunal, Bangalore, in respect of recovery proceedings filed by State Bank of India against Geodesik Techniques Pvt. Ltd. ("Geodesik"), claiming a purported outstanding by the Company to Geodesik. The Holding Company is contesting the claim as it does not owe any amount to Geodesik.	-	-
(f) Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, and the Holding Company has been made one of the respondents. The same relative has also filed a consumer complaint/petition, before the National Consumer Dispute Redressal Commission (NCDRC), against the Hyatt Hotels Corporation, Chicago and Hotel Hyatt Regency, Delhi, seeking compensation for the above injured person on various counts. Any consequence on the outcome of the above writ petition and the Consumer complaint before the NCDRC (which is not against the Holding Company) can not be ascertained.	-	-
(g) Income Tax Department has raised a demand on one of the subsidiary of the Holding Company i.e. Leading Hotels Limited to the extent of Rs. 156.43 Lakhs (including interest but excluding penalties thereon) in respect of non-deduction of tax at source on amounts remitted to Foreign entities/ non-resident person on account of Technical services payment. The ultimate subsidiary company has appealed against the said order, which is pending adjudication. However, as a matter of abundant caution, the Group has provided for the same.	-	-
(h) Petitions have been filed against the grant of Environmental and Coastal Regulation Zone clearances to the Subsidiary Company's project at Goa with the National Green Tribunal, which are being contested by the Subsidiary Company. The management is confident of it being able to successfully get the petitions quashed and retain its clearances which are essential for the completion of its project.	-	-
(i) Several legal disputes, including a Public Interest Litigation have been initiated by the owners and/or tenants of the land acquired by the Subsidiary Company for its project at Goa and others over the Subsidiary Company's rights, process of acquisition of land and compliance with the provisions of Tenancy Act, which are pending adjudication at various forums including at District and High Courts. Based on legal advice and outcomes of similar cases in the past, the management is hopeful of favorable outcomes and does not foresee them to have any material impact on the progress of the project of the Subsidiary Company.	-	-

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

26 CONTINGENT LIABILITIES AND COMMITMENTS ...contd.	31st March 2016	31st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)
(B) COMMITMENTS		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	4,870.97	5,128.42
(b) Lease commitments		
(i) Future commitments in respect of assets acquired under Finance Schemes:		
Minimum installments payable within one year	286.79	103.04
later than one year but not later than five years	707.04	174.74
Present value of minimum payable within one year	211.02	83.23
installments later than one year but not later than five years	589.10	151.86
(ii) Future minimum lease payments receivable by the Group in respect of non-cancellable operating leases (other than land) for shops and vehicles entered into by the Group:		
Not later than one year	123.90	78.23
Later than one year and not later than five years	57.14	67.01
(iii) Future minimum lease payments payable by the Group in respect of non-cancellable operating leases (other than land) for other services (including rented apartments) entered into by the Group:		
Not later than one year	136.29	146.62
Later than one year and not later than five years	202.40	328.82
More than five years	151.49	182.73
27 RELATED PARTY DISCLOSURES:		
(a) Individuals and his relatives having control over the Group (either directly or indirectly)		
(i) Amritesh Jatia, Director		
(ii) Shiv Kumar Jatia, Chairman & Managing Director		
(b) Companies which significantly influence the Group (either individually or with others)		
(i) Yans Enterprises (H.K.) Limited, an overseas entity		
(ii) Fineline Holdings Limited, an overseas entity		
(iii) Asian Holdings Private Limited, a domestic entity		
(c) Related Parties		
- Key Management Personnel	Mr. Shiv Kumar Jatia Ms. Anita Thapar Mr. Narayanaswamy Balasubramanian	Chairman & Managing Director Whole Time Director Director in one of the group companies
- Relatives of Key Management Personnel	Mr. Amritesh Jatia Mrs. Archana Jatia Mr. Raj Kumar Jatia Mr. Ramesh Jatia	Director and Son of Mr. Shiv Kumar Jatia Director and wife of Mr. Shiv Kumar Jatia Brother of Mr. Shiv Kumar Jatia Brother of Mr. Shiv Kumar Jatia
- Entities controlled by Directors or their relatives (with whom transactions entered into during current year or previous year)	Ascent Hotels Private Limited, India Bhasin & Co. Binaguri Tea Company Private Limited Energy Infrastructure (I) Limited Deuchny Properties Limited, Mauritius RSJ Holdings Limited, Mauritius Magus Estates & Hotels Limited Heyking Ltd, Hong Kong	

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

27 RELATED PARTY DISCLOSURES: ...contd.

- (d) Transactions with related parties:

(Rs. in Lakhs)

Particulars	Key Management Personnel and their relatives		Companies having significant influence over the Group		Entities controlled by directors or their relatives		Total	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Sale of Services (Room, Food, Beverages and other services)	-	-	-	-	8.02	40.67	8.02	40.67
Remuneration from the Company	156.71	153.68	-	-	-	-	156.71	153.68
Commission to Non-Executive Director from the Company	-	-	-	-	-	-	-	-
Directors Sitting Fees from the Company	0.72	1.44	-	-	-	-	0.72	1.44
Professional Charges	-	-	-	-	19.27	4.36	19.27	4.36
Loan taken from	-	-	5.25	1.88	-	-	5.25	1.88
Repayment of Loan	-	-	-	-	8.81	-	8.81	-
Security Deposit Refunded (Interest free)	-	-	-	-	1,300.00	100.00	1,300.00	100.00
Expenses paid on behalf of the Group	-	-	-	-	-	-	-	-
Bad debts/ advances written off (net)	-	-	-	-	-	50.25	-	50.25
Redemption of NCPS	-	-	-	-	-	-	-	-
Balance Outstanding								
Payables	952.40	869.41	7.96	5.13	16.52	1,366.63	976.88	2,241.17
Receivables	-	-	-	-	4.57	2.97	4.57	2.97

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Holding Company vis-à-vis the applicable provisions of the Companies Act, 2013 and justification of the rates being charged/ terms thereof and approved the same.
- (ii) The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Group have been given at the respective notes.
- (e) Disclosure in respect of related party-wise transactions during the year as follows:

Particulars	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
Sale of Services (Room, Food, Beverages and other services)		
- Energy Infrastructure (I) Limited	-	0.28
- Bhasin & Co.	8.02	40.39
Remuneration from the Company		
- Mr. Shiv Kumar Jatia*	138.61	153.68
- Ms. Anita Thapar**	18.10	-
Directors Sitting Fees from the Company		
- Mr. Amritesh Jatia	0.72	1.20
- Mrs. Archana Jatia	-	0.12
- Mr. Dipendra Bharat Kumar Goenka	-	0.12
Professional Charges		
- Bhasin & Co.	19.27	4.36
Expenses paid on behalf of the Group		
- Heyking Ltd.	-	20.87
Loan taken from		
- Finline Holdings Limited	2.65	1.88

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

27 RELATED PARTY DISCLOSURES: ...contd.

Particulars	31 st March 2016 (Rs. in Lakhs)	31 st March 2015 (Rs. in Lakhs)
- Deuchny Properties Ltd	2.60	
Repayment of Loan		
- RSJ Holdings Limited	8.81	-
Security Deposit Refunded (Interest free)		
- Binaguri Tea Company Private Limited	1,300.00	100.00
Bad debts/ advances written off (net)		
- Magus Estates & Hotels Limited	-	23.22
- Ascent Hotels Private Limited	-	27.03
Outstanding Payables		
- Mr. Shiv Kumar Jatia	112.36	102.75
- Mr. Raj Kumar Jatia	8.61	8.61
- Mr. Amritesh Jatia	663.70	626.72
- Mr. Dipendra Bharat Kumar Goenka	-	0.05
- Mr. Ramesh Jatia	1.89	1.89
- Bhasin & Co.	5.61	3.04
- Magus Estates & Hotels Limited	-	7.31
- Finline Holdings Limited	7.96	5.13
- RSJ Holdings Limited	8.31	8.31
- Binaguri Tea Company Private Limited	-	1,300.00
- Deuchny Properties Limited	2.60	-
- Heyking Ltd	28.72	27.10
- Mr. Narayanaswamy Balasubramanian	137.12	129.39
Outstanding Receivables		
- Bhasin & Co.	4.57	2.07
- Energy Infrastructure (I) Limited	-	0.28
- Deuchny Properties Limited	-	0.62

* Figure for 31st March, 2016 includes Provident Fund paid / payable by the employer.

* Figure for 31st March, 2015 is net of recovery of Rs. 8.47 Lakhs excess paid in financial year 2010-11.

**Ms. Anita Thapar has been appointed as a whole time director of the Holding Company for a period of 3 years effective from 28th May, 2015 in the 34th Annual General Meeting of the Company.

28 EMPLOYEE BENEFITS

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

(a) Defined contribution plans

The Group has recognized the following amounts in the Statement of Profit and Loss:

Employers' contribution to provident fund :- Current Year Rs. 188.65 Lakhs (Previous Year Rs. 193.33 Lakhs)

(b) Defined benefit plans

- Contribution to Gratuity funds
- Compensated absences - Earned leave

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

28 EMPLOYEE BENEFITS ...contd.

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

Economic Assumptions

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

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 8.00% per annum (Previous Year 8.50% per annum) compound, has been used.

Salary Escalation Rate

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

The assumptions used are summarized in the following table:

	Gratuity (Unfunded) (in case of Holding Company)		Gratuity (Unfunded) (in case of Subsidiaries under consolidation)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
Discount rate (per annum)	8.00%	8.50%	7.95%	7.81%	8.00%	8.50%
Future salary increase (per annum)	5.00%	5.00%	7.00%	7.00%	5.00%	5.00%
Expected rate of return on plan assets	N.A	N.A	N.A	N.A	N.A	N.A
In service mortality	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Retirement age	58 years	58 years	58 years	58 years	58 years	58 years
Withdrawal rates						
- Up to 30 years	3.00%	3.00%	2.00%	2.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
1. Expenses recognized in Statement of Profit and Loss				
Current service cost	39.61	42.78	22.00	21.32
Interest cost	54.29	55.25	9.42	11.70
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/ loss recognized in the year	(67.71)	(11.01)	(2.92)	(18.58)
Total expenses/ (income)	26.19	87.02	28.50	14.44

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016

28 EMPLOYEE BENEFITS ...contd.

		Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
		31 st March 2016	31 st March 2015	31 st March 2016	31 st March 2015
		(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
2.	Net asset/(liability) recognized as at the end of the year				
	Present value of defined benefit obligation	519.97	639.00	101.06	110.92
	Fair value of plan assets	-	-	-	-
	Funded status [surplus/(deficit)]	(519.97)	(639.00)	(101.06)	(110.92)
	Net asset/(liability) as at the end of the year	(519.97)	(639.00)	(101.06)	(110.92)
3.	Change in the present value of obligation during the year				
	Present value of obligation as at the beginning of the year	639.00	650.22	110.92	137.61
	Interest cost	54.29	55.25	9.42	11.70
	Current service cost	39.61	42.78	22.00	21.32
	Benefits paid	(145.22)	(98.24)	(38.36)	(41.13)
	Actuarial (gains)/losses on obligation	(67.71)	(11.01)	(2.92)	(18.58)
	Present value of obligation as at the end of the year	519.97	639.00	101.06	110.92

29 UN-HEDGED FOREIGN CURRENCY EXPOSURE

(a) Derivatives outstanding as at 31st March, 2016

Particulars

Forward contract to buy US\$

Nil (Previous year NIL)

(b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2016 is as under:

Particulars	31 st March 2016		31 st March 2015	
	Foreign Currency	(Rs. in Lakhs)	Foreign Currency	(Rs. in Lakhs)
Receivables				
(in USD)	298,605	198.07	617,781	386.67
(in EURO)	28,869	21.68	26,348	17.79
(in SGD)	-	-	-	-
(in GBP)	6,724	6.39	31,336	28.97
(in AED)	-	-	2,713	0.46
Payables				
Trade payables				
(in USD)	3,777,720	2,505.87	2,313,769	1,448.21
(in EURO)	-	-	1,552	1.05
(in GBP)	-	-	300	0.28
(in SGD)	-	-	1,176	0.54
(in SEK)	-	-	-	-
Other Loans and Payables (in USD)	1,277,483	847.39	1,345,524	842.17
Payable for capital goods (in USD)	-	-	616,519	385.88
Payable for capital goods (in SEK)	28,667	2.34	28,667	2.09
External Commercial Borrowings (ECBs) (in USD)	38,252,706	25,374.13	50,677,375	31,719.37

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

29 UN-HEDGED FOREIGN CURRENCY EXPOSURE ...contd.

Particulars	31 st March 2016		31 st March 2015	
	Foreign Currency	(Rs. in Lakhs)	Foreign Currency	(Rs. in Lakhs)
External Commercial Borrowings (ECBs) (in SGD)	22,729,389	11,172.11	23,688,197	10,807.74
Interest on ECBs (in USD)	947,346	628.40	1,315,398	823.32
Interest on ECBs (in SGD)	530,572	260.79	5,714	2.61

30 SEGMENT REPORTING

The Holding Company and its subsidiaries operate only in one reportable segment, i.e. Hospitality/Hotel Business. While the Holding Company's hotel is located at New Delhi, its ultimate subsidiary namely, Leading Hotels Limited is developing an all Villa Hotel Complex at Goa. Other business segment, i.e. power generation though governed by different set of risks and returns, however, is not a reportable segment as defined under the Accounting Standard (AS)-17 on Segment Reporting, and therefore, no separate disclosures have been made. The assets, liabilities and revenues relating to the said power generation business have, however, been disclosed in the accounts separately. The above treatment is in accordance with the guiding principles enunciated in the said Accounting Standard.

31 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135(5) of the Companies Act, 2013 (the Act), the Holding Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Holding Company is required to spend at least 2% of the average net profits (determined under Section 349 of the Companies Act, 1956, read with Section 198 of the Act) made during the immediately three financial years. However, due to inadequacy of profits as per Section 198 of the Companies Act, 2013, the Holding Company is not required to spend any amount on CSR activities for Financial Year 2015-16.

- Gross amount required to be spent by the Holding Company during the year is Rs. Nil (Previous Year Rs. 76.88 Lakhs)
- The Holding Company had decided to contribute to a Government of India approved project entitled to receive donations under Section 35AC of the Income Tax Act, 1961 in Financial Year 2014-15. The CSR Committee decided to contribute Rs. 59.45 Lakhs on the project and has actually contributed an amount of Rs. 15 Lakhs in Financial Year 2014-15 and Rs. 16 Lakhs during the current Financial Year.

32 Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Act.

Name of the Enterprise	Net Assets i.e. Total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Rs. in Lakhs	As % of consolidated profit or loss	Rs. in Lakhs
Parent				
Asian Hotels (North) Limited	91.62	71,427.26	(94.52)	(1,699.27)
Subsidiaries				
Indian				
Leading Hotels Limited	12.94	10,084.44	(7.55)	(135.75)
Newtown Hospitality Private Limited	(0.24)	(183.98)	1.78	31.91
Foreign				
Fineline Hospitality & Consultancy Pte Limited, Mauritius	(0.21)	(165.59)	(0.09)	(1.70)
Lexon Hotel Ventures Limited, Mauritius	(0.86)	(669.94)	(0.94)	(16.93)
Minority Interests in all subsidiaries	(3.25)	(2,535.44)	1.34	24.02

33 OTHER NOTES

- Due to inadequacy of profit in the financial year 2015-16, the minimum remuneration paid to Mr. Shiv Kumar Jatia as Managing Director of the Holding Company in terms of the shareholders' special resolution dated 21st September, 2015, exceeded the remuneration payable in terms of Section II of Part II of Schedule V to the Companies Act, 2013. Consequently, the Holding Company made an application to the Central Government for approval of managerial remuneration which was in excess of the captioned provisions of the Companies Act, 2013. The Holding Company has since received the requisite approval for payment of managerial remuneration and managerial remuneration is paid to Mr. Shiv Kumar Jatia for FY 2015-16 is well within the limits approved by the Central Government.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

33 OTHER NOTES ...contd.

(b) Taxation

(i) No provision for tax has been made by the Group, except in one of the foreign subsidiary company, for income tax in absence of any taxable income during the current year.

(ii) The Group as a whole is having net Deferred Tax Asset (DTA) as on 31st March, 2016, however, on the basis of virtual certainty concept and considering the carried forward losses, DTA is not recognized.

(c) The Lease rentals under an operating lease have not been recognized as expense on a straight-line basis, since, in the opinion of the management the recognition method adopted which is as per respective contracts, is more representative of the time pattern of the user's benefit.

(d) As per the requirement of Schedule III of the Act, the Board of Directors of Holding Company have considered the values of all assets of the Group other than fixed assets and non-current investments, and have come to a conclusion that these have a value on realization in the ordinary course of business which is not less than the value at which they are stated in the consolidated balance sheet.

(e) Previous year's figures

The previous year's figures has been reclassified or regrouped to conform current year's classification/ grouping.

Signature to notes 1 to 33 of Consolidated Financial Statements

For **DHIRUBHAI SHAH & DOSHI**

Chartered Accountants

Firm Registration Number: 102511W

KAUSHIK D SHAH

Partner

Membership Number: 016502

Place: New Delhi

Dated: 27th May, 2016

ON BEHALF OF THE BOARD OF DIRECTORS

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

PRAKASH SHARMA

Vice President- Finance

(Chief Financial Officer)

DR. LALIT BHASIN

Director & Chairman of

Audit Committee

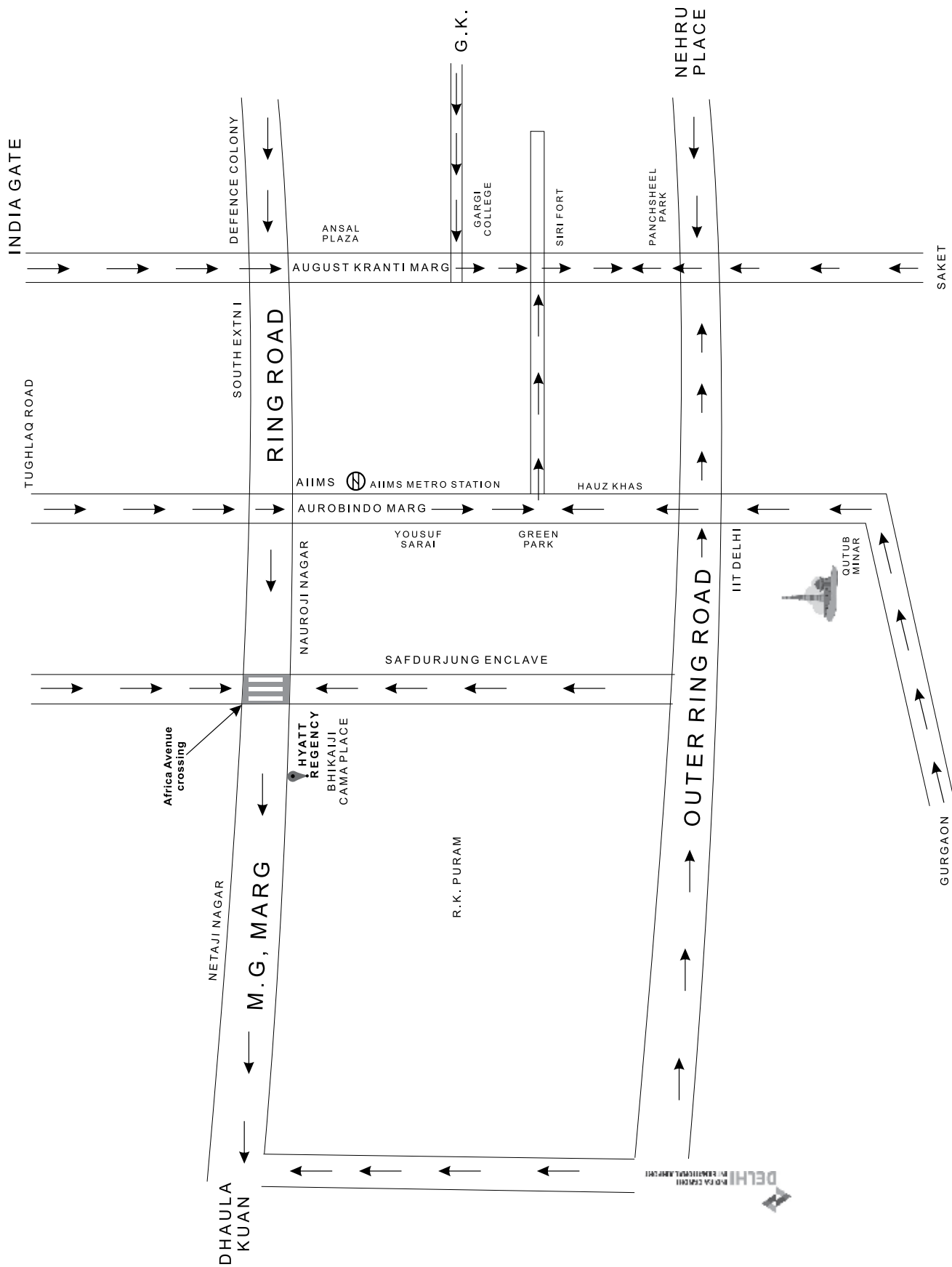
DIN: 00001607

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

M. No.: FCS 6224



ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi – 110066

Tel: 011 66771225/26; Fax: 011 26791033

Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 (the Act) and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of member(s):

Registered Address:

E-mail ID:

Folio No./DP ID & Client ID No. :

I/We, being the member(s), holding shares of the above named company, hereby appoint:

1. Name : Address :

E-mail ID : Signature :or failing him/her

2. Name : Address :

E-mail ID : Signature :or failing him/her

3. Name : Address :

E-mail ID : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Thursday, the 29th September, 2016, at 11.30 a.m. at the Regency Ball Room, Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi-110066 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Subject matter of the Resolutions	Optional	
		For	Against
Ordinary Business			
1	Adoption of the Audited Stand-alone Financial Statements of the Company for the financial year ended 31 st March, 2016	OR	
2	Adoption of the Audited Consolidated Financial Statements of the Company for the financial year ended 31 st March, 2016	OR	
3	Re-appointment of Mr. Amritesh Jatia (DIN: 02781300) who retires by rotation and being eligible, offers himself for re-appointment	OR	
4	Ratification of appointment of Auditors and fixation of their remuneration	OR	
Special Business			
5	Adoption of the re-stated Articles of Association in substitution of the existing Articles of Association of the Company	SR	
6	Appointment of Mr. Pinaki Misra (DIN: 00568348) as an Independent Director	OR	

Signed this day of 2016

.....
Signature of the shareholder(s)

.....
Signature of proxy holder(s)

Revenue Stamp

Notes:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.**
2. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
3. Please ensure that the Proxy Form is filled in completely and signed by the shareholder(s) as well as the proxy holder(s) before depositing with the Company, as aforesaid. Please affix a Re. 1/- revenue stamp and cancel the same either by striking a cross (X) across the stamp or by signing across the stamp.
4. The Proxy Form submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions or authorizations, as applicable.
5. Pursuant to Section 105 of the Act read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
6. You may exercise your option by putting a 'X' in the appropriate column against the resolutions indicated in the box. If you leave both the columns blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
7. **OR** stands for 'Ordinary Resolution' and **SR** for 'Special Resolution'

ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi – 110066

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Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

PROFORMA FOR REGISTRATION / UP-DATION OF NECS MANDATE

Karvy Computershare Private Limited
Unit: Asian Hotels (North) Limited
Karvy Selenium-Tower B, Plot No. 31 & 32, Financial District
Nanakramguda, Serilingampally Mandal
Hyderabad – 500 032

Folio No.-----

Dear Sir,

I/We hereby give my/our mandate to credit my/our dividend, in respect of shares held by me/us in **Asian Hotels (North) Limited** under the aforesaid folio, directly to my/our bank account through National Electronic Clearing Service (NECS). The details of the bank account are given below:

A	Name of the Bank		
B	Branch Name & address		
C	Account Number		
D	Type of Account	Saving	Current/ Other
E	Nine Digit MICR Code No.		
F	Indian Financial System Code (IFS Code)		

Please attach a blank “cancelled” cheque along with this authorization form.

I/We hereby declare that particulars given above are correct and complete. If the transaction is delayed or credit is not affected due to incomplete or incorrect information, I/We will not hold the Company or its share transfer agents responsible for the same.

Date:

Place:

Signature of the sole/first holder
Name & Address of the shareholder

(Please ignore, if you have already registered / up-dated your NECS details)

ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi – 110066

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Website: www.asianhotelnorth.com E-mail: investorrelations@ahlnorth.com

PROFORMA FOR REGISTRATION / UP-DATION OF E-MAIL IDs

Karvy Computershare Private Limited
Unit: Asian Hotels (North) Limited
Karvy Selenium-Tower B, Plot No. 31 & 32, Financial District
Nanakramguda, Serilingampally Mandal
Hyderabad – 500 032

Folio No.-----

Dear Sir,

Please register/up-date my/our e-mail ID for forwarding all official communications including the general meeting notices/postal ballot notices/annual reports etc. of the Company through electronic mail. My/our e-mail ID is as follows:

E-mail ID:

Date:
Place:

Signature of the sole/first holder
Name & Address of the shareholder

(Please ignore, if you have already registered/up-dated your e-mail ID)





Asian Hotels (North) Limited

CIN: L55101DL1980PLC011037

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