
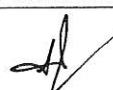


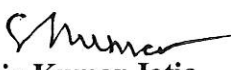

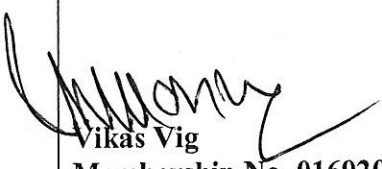
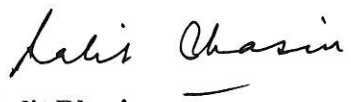


FORM B

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Asian Hotels (North) Limited
2.	Annual financial statements for the year ended	31st March, 2015
3.	Type of Audit qualification	Except for.....
4.	Frequency of qualification	Para 2(e) & 2(f) of 'Report on Other Legal and Regulatory Requirements' of Auditors' Report - first occurrence for both paras Para (9) of the Annexure to their Report - first occurrence
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Gist of the qualification: The Auditors in their report dated 28th May, 2015, have observed that the Board of Directors have not received declaration under Section 164(2) of the Act, regarding disqualifications, if any, relating to one of the directors.</p> <p>(Please refer page no. 60 of Annual Report 2014-15.)</p> <p>Management's response:</p> <p>The Directors have in their report clarified that the Company has in the meantime received the requisite declaration from the said director confirming that he is not disqualified as a director of the Company.</p> <p>Further the Auditors in para (9) of the Annexure to their Report have pointed out an instance of delay in repayment of foreign currency term loan, which was repaid before the end of financial year.</p> <p>(Please refer page no. 61 of Annual Report 2014-15.)</p> <p>Management's response: Due to temporary cash flow mis-match, the repayment of an installment in respect of foreign currency term loan was delayed beyond 30 days but the dues were cleared prior to the year end. Directors are confident that the Company has adequate arrangements to meet its liabilities in time.</p>

		<p>The Auditors have drawn attention to Note 27(A)(e) to the Stand-alone Financial Statements, which describes the uncertainty relating to the out-come of the lawsuits filed against the Company relating to an accident in the hotel premises.</p> <p>(Please refer page no. 82 of Annual Report 2014-15.)</p> <p>Management's response: Directors are confident of defending the interests of the Company.</p>
6.	Additional comments from the board/audit committee chair:	As above.
7.	<p>To be signed by-</p> <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman 	<p> Shiv Kumar Jatia Chairman & Managing Director DIN 00006187</p> <p> Jyoti Subarwal President – Finance & Operations (Chief Financial Officer)</p> <p> Vikas Vig Membership No. 016920 Partner, Mohinder Puri & Company Chartered Accountants Firm Regn. No. 000204N</p> <p> Lalit Bhasin Chairman, Audit Committee Asian Hotels (North) Limited DIN: 00001607</p>



Asian Hotels (North) Limited



34th

Annual Report 2014-15

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Jyoti Subarwal
President Finance & Operations

VICE PRESIDENT (CORP) & COMPANY SECRETARY

Dinesh Kumar Jain

AUDITORS

Mohinder Puri & Company
Chartered Accountants
1A-D, Vandhna
11, Tolstoy Marg
New Delhi - 110 001

BANKERS

DBS Bank Limited
Kotak Mahindra Bank Limited
IDBI Bank Limited
Yes Bank Limited

REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT

Bhikaiji Cama Place
M. G. Marg
New Delhi - 110 066
Tel. No. 91 11 66771225-26
Fax: 91 11 26791033
www.asianhotelsnorth.com
email: investorrelations@ahlnorth.com

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
www.karvycomputershare.com
e-mail: einward.ris@karvy.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 34th Annual General Meeting of ASIAN HOTELS (NORTH) LIMITED will be held on Monday, the 21st September, 2015, 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. a) 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, 2015, including the audited Balance Sheet as at 31st March, 2015; the Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year ended as on that date; and the accompanying Notes thereto along with the Auditors’ Report and Directors’ Report thereon be and are hereby received, approved and adopted.”
b) 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, 2015, including the audited Consolidated Balance Sheet as at 31st March, 2015; the Consolidated Statement of Profit & Loss, Cash Flow Statement and the Statement of Changes in Equity for the year ended as on that date; and the accompanying Notes thereto along with the Auditors’ Report thereon be and are hereby received, approved and adopted.”
2. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Mr. Dipendra Bharat Goenka (DIN: 01969285), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.”
3. M/s. Mohinder Puri & Company, Chartered Accountants (Firm Registration No.: 000204N), who hold office up to the date of this Annual General Meeting have expressed their unwillingness to be re-appointed as Statutory Auditors, and in view thereof, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and rules made there-under, as amended or re-stated from time to time, M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Ahmedabad (Firm Registration No.: 102511W) be and are hereby appointed as Auditors of the Company in lieu of M/s. Mohinder Puri & Company, Chartered Accountants (Firm Registration No.: 000204N) who have expressed their un-willingness to be re-appointed, 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

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** consequent upon implementation of the Companies Act, 2013, in place of the Companies Act, 1956, the consent of the shareholders be and is hereby accorded pursuant to the provisions of the Companies Act, 2013, and Rules framed there-under to adopt a new set of Articles of Association in place 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.”
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** Ms. Anita Thapar (DIN: 02171074), who was appointed as an additional director of the Company and whose term expires under Section 161(1) of the Companies Act, 2013 (the Act) at the ensuing Annual General Meeting, and in respect of whom the Company has received a notice in writing along with the requisite deposit under Section 160 of the Act from a member proposing her candidature for the office of director, be and is hereby appointed as a director of the Company, liable to retire by rotation.”
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the relevant provisions of Section II of Part II of Schedule V thereto, read with the Articles of Association of the Company, as amended, Ms. Anita Thapar (DIN: 02171074) be and is hereby appointed as a whole-time director of the Company for a period of three years effective 28th May, 2015, responsible for the administration and corporate co-ordination functions, and

*It is located near Engineers India Building on Mahatma Gandhi Marg (Ring Road) New Delhi, in between Dhautla Kuan and All India Institute of Medical Sciences. Hotel Hyatt Regency is in itself a prominent land mark building. Route map is printed on page no. 126

ASIAN HOTELS (NORTH) LIMITED

designated as Executive Director - Administration & Corporate Co-ordination, liable to retire by rotation, on the terms and conditions and remuneration as are set out below:

(Amount in Rupees)

Particulars	Monthly Remuneration	Annualised Remuneration
Salary [Scale 75000-7500-90000]	75,000	9,00,000
Perquisites		
House Rent Allowance @ 40% of Salary	30,000	3,60,000
Special Allowance	33,800	4,05,600
Leave Travel Assistance – once a year equivalent to one month's salary		75,000
Ex-gratia equivalent to 20% of Salary		1,80,000
Other Benefits in accordance with the Company Policy: <ul style="list-style-type: none"> • Premium towards Group Medical & Hospitalization Insurance • Company maintained Car for business purposes only • Employer's Contribution to Provident Fund @ 12% of Salary • Gratuity 		

RESOLVED FURTHER THAT based on the evaluation done by the Committee comprising exclusively of the independent directors and recommendations of the Nomination and Remuneration Committee, the salary of Ms. Anita Thapar may be revised, every year effective 1st June, 2016, at the discretion of the Board within the scale mentioned above.

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

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

"RESOLVED THAT subject to requisite approvals of the Central Government under the applicable statute, the Company do approve waiving off recovery of a sum of Rs. 61,72,454/- (Rupees Sixty one lac seventy two thousand four hundred and fifty four only) out of the total remuneration of Rs. 1,49,78,277/- (Rupees One crore forty nine lac seventy eight thousand two hundred and seventy seven only) paid to Mr. Shiv Kumar Jatia, Managing Director as minimum remuneration for the Financial Year 2013-14 in terms of the resolution passed by the shareholders in its meeting held on 28th September, 2010, such sum being in excess of 5% of the net profit of the Company for that year computed in the manner laid down in Section 198 read with Sections 349 and 350 of the Companies Act, 1956.

RESOLVED FURTHER THAT the Company do hereby accord its approval to make a representation and/or application to the Central Government for waiver of recovery of such sum being in excess of 5% of the net profit of the Company for that year, as aforesaid.

RESOLVED FURTHER THAT the Company do hereby approve and ratify the actions taken by the Company and its officials in this regard.

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

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

"RESOLVED THAT subject to requisite approvals of the Central Government under the applicable statute, the Company do approve the payment of remuneration of Rs. 1,51,55,026/- (Rupees One crore fifty one lac fifty five thousand and twenty six only) made to Mr. Shiv Kumar Jatia, Managing Director as minimum remuneration for the Financial Year 2014-15 in terms of the limits specified under Para A of Section II of Part II of Schedule V to the Companies Act, 2013 (the Act).

RESOLVED FURTHER THAT subject to requisite approvals of the Central Government under the applicable statute(s), the Company do approve waiving off recovery of a sum of Rs. 20,63,622/- (Rupees Twenty lac sixty three thousand six hundred and twenty two only) out of the total remuneration of Rs. 1,51,55,026/- (Rupees One crore fifty one lac fifty five thousand and twenty six only) paid to Mr. Shiv Kumar Jatia, Managing Director as minimum remuneration for the Financial Year 2014-15, such sum being in excess of the limits specified under Para A of Section II of Part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Company do hereby approve and ratify the actions taken by the Company and its officials in this regard.

ASIAN HOTELS (NORTH) LIMITED

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

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

“**RESOLVED THAT** subject to the requisite approvals of the Central Government, the Company do hereby approve the payment of remuneration aggregating to Rs. 1,71,91,482/- (Rupees One crore seventy one lac ninety one thousand four hundred and eighty two only) to Mr. Shiv Kumar Jatia, Managing Director for the financial year 2015-16 as detailed below, notwithstanding the fact that such remuneration exceeds the limits specified under Para A of Section II of Part II of Schedule V to the Companies Act, 2013 (the Act):

(Amount in Rupees)

Particulars	Monthly Remuneration	Annualised Remuneration
Salary	8,40,000	1,00,80,000
Perquisites		
Housing: Company's expenditure on providing accommodation (furnished or otherwise) shall not exceed 60% of Salary. Alternately, house rent allowance equivalent to 60% of the salary shall be paid	5,04,000	60,48,000
Leave Travel Assistance: First class airfare for self and family, once a year to any destination, amount not exceeding one month's basic salary		8,40,000
Club Fees: Fees, excluding life membership fees and expenses at clubs subject to a maximum of two clubs		1,00,000
Premium towards Group Medical/Accident Insurance Policy.		83,882
Other Benefits		
Employer's Contribution to Provident Fund @ 12% of the Salary in accordance with the Company's policy.		Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Gratuity: Gratuity shall be payable at the rate of 15 days' salary for each completed year of service in accordance with the Company's policy.		Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Car / Telephone: Car with driver for use on Company's business, and telephone / telefax facility at residence shall be provided for business purposes only- Perquisite value		39,600
Total Remuneration		1,71,91,482

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

RESOLVED FURTHER THAT the Company do hereby approve and ratify the actions taken by the Company and its officials in this regard.

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

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

“**RESOLVED THAT** subject to the requisite approvals of the Central Government in pursuance of Sections 196, 197, 198 and other applicable provisions including Para A of Section II of Part II of Schedule V to the Companies Act, 2013 (the Act) read with the Articles of Association of the Company, as amended, the Company do hereby approve the re-appointment of Mr. Shiv Kumar Jatia (DIN: 00006187) as Managing Director of the Company for a further term beginning 10th April, 2016 to 31st March, 2019, not liable to retire by rotation, on such remuneration and other terms and conditions as are detailed below:

ASIAN HOTELS (NORTH) LIMITED

Particulars	Annualised Remuneration (Amount in Rupees)		
	FY 2016-17	FY 2017-18	FY 2018-19
Salary	1,08,00,000	1,15,20,000	1,22,40,000
Perquisites			
Housing: Company's expenditure on providing accommodation (furnished or otherwise) shall not exceed 60% of Salary. Alternately, house rent allowance equivalent to 60% of the salary shall be paid	64,80,000	69,12,000	73,44,000
Leave Travel Assistance: First class airfare for self and family, once a year to any destination, amount not exceeding one month's basic salary	9,00,000	9,60,000	10,20,000
Club Fees: Fees, excluding life membership fees and expenses at clubs subject to a maximum of two clubs	1,00,000	1,00,000	1,00,000
Premium towards Group Medical / Personal Accident Insurance Policy	1,00,000	1,00,000	1,00,000
Other Benefits			
Employer's Contribution to Provident Fund @12% of the Salary, in accordance with the Company's policy.	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Gratuity: Gratuity shall be payable at the rate of 15 days' salary for each completed year of service in accordance with the Company's policy.	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Car / Telephone: Car with driver for use on Company's business, and telephone / telefax facility at residence shall be provided for business purposes only – Perquisite value	39,600	39,600	39,600
Total Remuneration	1,84,19,600	1,96,31,600	2,08,43,600

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

RESOLVED FURTHER THAT in case the Company has adequate profit for any financial year during the tenure of his office, the Company, in addition to the aforesaid salary and perquisites, may also pay commission on profit at a rate not exceeding 3% (three percent) of the net profit of the Company, as may be decided by the Board of Directors based upon the recommendations of the Nomination and Remuneration Committee, for each such financial year, provided that the aggregate remuneration, inclusive of Commission, for any financial year shall not exceed 5% of the net profits of the Company computed in the manner as described under Section 198 read with Section 197, Schedule V and other applicable provisions of the Act.

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

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

"RESOLVED THAT pursuant to Section 181 of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to contribute towards bona-fide and charitable funds/causes, any amount the aggregate of which, in any financial year, does not exceed a sum of Rs. 25,00,000/- (Rupees twenty five lac only) or five percent of its average net profit for the three immediately preceding financial years, which-ever is higher.

RESOLVED FURTHER THAT the Company do hereby approve and ratify the actions taken by the Company and its officials in this regard.

ASIAN HOTELS (NORTH) LIMITED

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."

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: 12th August, 2015

NOTES:

- 1) A statement under Section 102 of the Companies Act, 2013 (the Act), setting out the material facts concerning the special business listed at Item Nos. 4 to 11 is enclosed and forms part of this Notice.
- 2) Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges 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. 12) and should be construed as a part of this Notice and the accompanying Statement under Section 102 of the Act. Requisite details are also given on page no. 34, under the heading "Profile of Directors seeking appointment/re-appointment", as a part of Corporate Governance Report and should be read as 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.**
- 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) All documents referred to in the accompanying Notice and the terms and conditions of appointment/re-appointment and remuneration of the directors proposed to be appointed are open for inspection 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 Tuesday, the 15th September, 2015, to Monday, the 21st September, 2015, 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 any of the previous seven years are specifically requested to apply for duplicate dividend warrant(s) by writing to the Company or Karvy Computershare Private Limited (Karvy), the Company's Registrar & Transfer Agent, 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 final dividend for the financial year 2007-08 are due for transfer to the IEPF, and therefore, any claim in respect thereof should be lodged before 21st September, 2015.
- 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.** Further, members holding shares in electronic form should notify changes 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 2014-15 including the Notice of the 34th Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participants unless any member has specifically requested for a physical copy.

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

Those who have not registered their e-mail IDs, physical copies of the said Annual Report are being sent to them through a permitted mode.

- 14) Annual Report 2014-15 including the Notice of the 34th Annual General Meeting of the Company detailing inter-alia the process and the manner of e-voting, shall also be available on the Company's website www.asianhotelsnorth.com and may be accessed or downloaded there-from. The said Notice shall also be 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.**

- 16) Annual Report 2014-15 including the Notice of the 34th 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 21st August, 2015.

- 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 Clause 35B of the Listing Agreement, 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 34th 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 that you 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.

ASIAN HOTELS (NORTH) LIMITED

- ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi) A confirmation box will then be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can log-in any number of times till they have voted on the resolutions.
- xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution, Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID sankara@cacsindia.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Asian Hotels (North) Limited EVENT NO. _____"

18.2 Members who receive physical copy of the Notice for this annual general meeting and the financial statements (i.e. 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 Monday, the 14th September, 2015, 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 Friday, the 18th September, 2015, at 9.00 a.m. and ends on Sunday, the 20th September, 2015, 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.

18.4 In case of any query pertaining to 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 12th August, 2015, 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 in the employment of the Company and prepare, not later than three 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 22nd August, 2015 and 14th September, 2015, 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. 4

With the introduction of the Companies Act, 2013 (the Act), the existing Articles of Association of the Company are required to be amended to bring these in line with the provisions of the Act. In view of the above, it was considered appropriate to adopt an entirely new set of Articles of Association, which are not only in compliance with the Act but are also in tune with the dynamics of business enabling the Company to take up all such activities which are otherwise permitted by the Act but can only be taken up if provided for in the Articles.

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. 4 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 update the Articles of Association of the Company to bring these in line with the extant provisions of the law, and therefore, recommend to approve the resolution at Item No. 4 of the accompanying Notice.

Item Nos. 5 & 6

Consequent to the resignation of Mrs. Archana Jatia, effective 17th April, 2015, the Company was required to appoint a woman director for continued compliance of Section 149 of the Act. Consequently, the Nomination and Remuneration Committee of the Board in its meeting held on 23rd April, 2015, considered the candidature of Ms. Anita Thapar, aged 43, and keeping in view her association with the Company since 2003, holding various positions and further considering that she has been working closely with the corporate team in the capacity of Senior Manager – Corporate Co-ordination, recommended her appointment to the Board.

Subsequently, the Board in its meeting held on 28th May, 2015, considered the recommendations of the Nomination and Remuneration Committee and appointed Ms. Anita Thapar (DIN: 02171074) as an additional director under Section 161(1) of the Act, who holds office up to the date of the forthcoming annual general meeting of the Company. In the meantime, the Company has received a notice under Section 160 of the Act, along with requisite deposit, proposing the candidature of Ms. Anita Thapar as a director liable to retire by rotation in pursuance of Section 152 of the Act.

In view of the above back-drop, an appropriate ordinary resolution is proposed at Item No. 5 of the accompanying Notice.

Since Ms. Thapar, an MBA 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 entrusted with the responsibility of administration & corporate co-ordination and accordingly, appointed her as an Executive Director – Administration & Corporate Co-ordination.

Accordingly, a special resolution is proposed at Item No. 6 of the accompanying Notice proposing the appointment of Ms. Anita Thapar, as a whole-time director on the terms and conditions and remuneration detailed therein, in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions of the Act read with the relevant provisions of Section II of Part II of Schedule V thereto.

A detailed profile of Ms. Thapar is appended to this Notice, enumerating inter-alia the directorships held by her, and may also be accessed in the Corporate Governance Report appended to the Directors' Report, under the head 'Profile of Directors seeking appointment / re-appointment'. Further, Statement pursuant to Clause IV of Para (B) of Section II of Part II of Schedule V to the Act detailing information prescribed therein is appended and forms part of the accompanying Notice.

Ms. Thapar holds 10 (ten) equity shares of the Company.

Except Ms. Thapar and her relatives in the Company, none of the other directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financial or otherwise in the respective resolutions at Item Nos. 5 & 6 of the accompanying Notice.

Your directors are of the opinion that it will be in the Company's interest to have her continued association with the Company, and therefore, recommend to approve the resolutions at Item Nos. 5 & 6 of the accompanying Notice.

Item Nos. 7 to 10

Mr. Shiv Kumar Jatia was re-appointed as Managing Director for a period of five years effective 10th April, 2011, in the 29th Annual General Meeting of the Company held on 28th September, 2010, and completes his term on 9th April, 2016. The remuneration and other terms and conditions of his appointment, as approved by the shareholders, were as under:

Salary:	<i>Rs. 6,00,000/- per month in the scale of Rs. 6,00,000-60,000-9,00,000; to be reviewed by the Remuneration Committee, and based on its recommendations, the same may be revised, effective 1st April every year, at the discretion of the Board.</i>
Perquisites:	<i>Following perquisites shall be allowed in addition to the salary:</i>
Housing:	<i>Company's expenditure on providing accommodation (furnished or otherwise) shall not exceed 60% of Salary. Alternately, house rent allowance equivalent to 60% of the salary shall be paid.</i>
Medical Reimbursement:	<i>Expenses incurred for self and family subject to a ceiling of three months' salary over a period of three years.</i>
Leave Travel Assistance:	<i>First class air fare for self and family once in a year, to any destination.</i>

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Club Fees:	<i>Fees, excluding life membership fees and expenses at clubs subject to a maximum of two clubs shall be paid/reimbursed.</i>
Personal Accident Insurance:	<i>In accordance with the Company's policy.</i>
Employer's Contribution to Provident Fund / Superannuation Fund:	<i>In accordance with the Company's policy.</i>
Gratuity:	<i>Gratuity shall be payable at the rate of 15 days' salary for each completed year of service in accordance with the Company's policy.</i>
Car / Telephone:	<i>Car with driver for use on Company's business, and telephone / telefax facility at residence shall be provided. Personal long distance calls and use of car for private purposes shall be recoverable.</i>
Explanation:	<i>Family is defined as spouse and two dependent children.</i>
Commission:	<i>At a rate not exceeding 3% (three percent) of the net profit of the Company, as may be decided by the Board of Directors based upon the recommendations of the Remuneration Committee, for each financial year, provided that the aggregate remuneration, inclusive of Commission, for any financial year shall not exceed 5% of the net profits of the Company computed in the manner as described under Section 198 read with Section 349 and 350 of the Companies Act, 1956 (the previous Act).</i>
Minimum Remuneration:	<i>In case of no profit or inadequacy of profit in respect of any financial year in terms of Section 198(4) of the previous Act, the Company shall, subject to requisite approvals of the Central government, pay the salary and perquisites as mentioned hereinabove as the minimum remuneration for the relevant year.</i>

Specific details relating to Item No. 7

While the Company had a very good track record of healthy profits continuously for many years, the Company made inadequate profits in the financial year 2013-14, and even the minimum remuneration, as aforesaid, paid to the Managing Director exceeded 5% of the net profit computed in the manner as described under Section 198 read with Sections 349 and 350 of the Companies Act, 1956, for the relevant year. In view of the above, the Company made an application to the Central Government for waiver of recovery of excess remuneration, as detailed in the proposed resolution at Item No. 7 of the accompanying Notice. However, the Company's application was declined inter-alia for the reason that the Company did not furnish members' special resolution in favor of the proposal. In response thereto, the Company has represented to approach the Central Government after obtaining the shareholders' consent by means of a special resolution.

In the above backdrop, shareholders' approval is sought by way of a special resolution to the aforesaid proposal so that a representation and / or fresh application may be moved to the Central Government seeking requisite approvals.

Accordingly, a special resolution is proposed at Item No. 7 of the accompanying Notice proposing the waiver of recovery of excess remuneration paid to the Managing Director for the financial year 2013-14, as detailed therein, in pursuance of the applicable provisions of the Companies Act, 1956 and / or the Act.

Specific details relating to Item No. 8

The Company incurred heavy loss during the financial year 2014-15, the financial statements of which are being placed before the shareholders for approval. In view of the above, even the salary and perquisites paid by the Company to the Managing Director as minimum remuneration, in terms of the resolution passed originally, exceeded the limits specified under Part A of Section II of Part II of Schedule V to the Act. Consequently, shareholders' approval is sought by means of a special resolution for the remuneration paid to Mr. Jatia for the financial year 2014-15, as also for the waiver of recovery of the resultant excess remuneration in terms of the aforesaid provisions of Schedule V to the Act, as detailed in the proposed resolution at Item No. 8 of the accompanying Notice.

Accordingly, a special resolution is proposed at Item No. 8 of the accompanying Notice proposing the waiver of recovery of excess remuneration paid to the Managing Director for the financial year 2014-15.

Specific details relating to Item No. 9

In terms of the original resolution passed by the shareholders in the 29th Annual General Meeting of the Company held on 28th September, 2010, the Nomination and Remuneration Committee and the Board of Directors of the Company have, subject to approval of the shareholders and the Central Government, decided to pay the remuneration, as detailed in the proposed resolution at Item No. 9 of the accompanying Notice, to Mr. Shiv Kumar Jatia, Managing Director for the financial year 2015-16. The proposed remuneration, in case of absence or inadequacy of profit, may exceed the limits specified under Part A of Section II of Part II of Schedule V to the Act, and consequently, shareholders' approval is sought by means of a special resolution for the payment of the said remuneration subject to approval of the Central Government.

Accordingly, a special resolution is proposed at Item No. 9 of the accompanying Notice for payment of remuneration to the Managing Director for the financial year 2015-16, as detailed therein.

Specific details relating to Item No. 10

As explained above, the Managing Director completes his current tenure on 9th April, 2016, and it is proposed to re-appoint him for a further term beginning 10th April, 2016 to 31st March, 2019, on such remuneration and terms and conditions as are detailed in the proposed resolution at Item No. 10 of the accompanying Notice.

ASIAN HOTELS (NORTH) LIMITED

Accordingly, a special resolution is proposed at Item No. 10 of the accompanying Notice for re-appointment and payment of remuneration to Mr. Jatia in pursuance of Sections 196, 197, 198 and other applicable provisions including Para A of Section II of Part II of Schedule V to the Act.

General disclosures with respect to Item Nos. 7 to 10

Mr. Jatia, aged 62, is a commerce graduate and has been on the Board of the Company since inception, joining it effective 6th December, 1980. He was appointed as Executive Director with effect from 10th April, 1981, as Joint Managing Director with effect from 24th September, 1984, and thereafter, as Managing Director, effective 25th June, 1990. He has been instrumental in the overall growth the Company could achieve over the last three decades.

A detailed profile of Mr. Jatia is appended to this Notice, enumerating inter-alia the directorships held by him, and may also be accessed in the Corporate Governance report appended to the Directors' Report, under the head 'Profile of Directors seeking appointment / re-appointment'. Further, Statement pursuant to Clause IV of Para (B) of Section II of Part II of Schedule V to the Act detailing information prescribed therein is appended and forms part of the accompanying Notice.

Except Mr. Shiv Kumar Jatia and his son, Mr. Amritesh Jatia, none of the other directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financially or otherwise in the respective resolutions at Item Nos. 7 to 10 of the accompanying Notice.

Mr. Shiv Kumar Jatia directly holds 2668027 (13.72%) equity shares in the Company. However, he along with his relatives controls the other promoter entities holding 11432689 (58.77%) equity shares in the Company.

Your directors are of the opinion that it will be in the Company's interest to approve the aforesaid resolutions as the remuneration paid / proposed to be paid to Mr. Jatia is commensurate with the responsibilities shouldered by him and his continued association with the Company will provide continuity of leadership at the challenging times now being faced by the Company, and therefore, recommend to the shareholders to approve the resolutions at Item Nos. 7 to 10 of the accompanying Notice.

Item No. 11

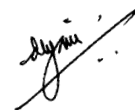
In May 2015, the Company made a contribution to the Prime Minister's National Relief Fund for providing assistance to the victims of Nepal earthquake on the premise that it will be a contribution which may be covered under the CSR activities / expenditure for the financial year 2015-16. However, when the results for the financial year 2014-15 were finalized on 28th May, 2015, the Company realized that the loss incurred during the said year was more than the aggregate profit of the previous two financial years and the average net profit for the relevant three years for calculating CSR contribution for 2015-16 was negative. More-over, the Company had no scope even for making any charitable contribution under Section 181 of the Act. In view of the above, we are constrained to seek shareholders approval under Section 181 of the Act for regularizing the aforesaid contribution as contribution made towards charitable cause.

In the normal course of business, the Company may be required to make small donations for charitable, religious or other bona fide causes. The proposed resolution should enable the Company to make such bona-fide and charitable contributions in future even if the Company has inadequate profit or loss in a given year.

In view of the above, the Company seeks shareholders approval for the proposed resolution at Item No. 11 of the accompanying Notice.

None of the directors and key managerial personnel of the Company or their respective relatives is concerned or interested either financially or otherwise in the respective resolution at Item No. 11 of the accompanying Notice.

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: 12th August, 2015

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 Act

Name of Director	Expertise In Specific Functional Area	Other Companies in which Directorships Held
Mr. Dipendra Bharat Goenka DIN: 01969285	<p>Mr. Dipendra Bharat Goenka, aged 46, after graduating from the University of Southern California in 1989, started a clothing manufacturing company Modest Garments, with offices in Paris and manufacturing in Bombay. After running it successfully until 2000, he then bought an Australian trading company, Best Corporation and moved to Melbourne.</p> <p>In 2001, he started a global manufacturing and supply company based in Hangzhou, China called Indochine Group. Today Indochine Group has factories in China, Vietnam, Cambodia and Bangladesh and a sales office in UK, USA, Germany, South Africa and Australia.</p> <p>In 2006, Mr. Goenka started Forever New, a young ladies retail brand of which he is currently CEO. Forever New has 290 stores across ten different countries. Mr. Goenka has rich business experience of about 25 years. He was first co-opted on the Company's Board on 26th March, 2014.</p> <p>Mr. Goenka does not hold any share in the Company.</p>	<p>He holds directorships in many overseas companies.</p> <p>He holds directorship only in one Indian company namely Apostle Trading Consultant Private Limited.</p> <p>He does not hold chairmanship/membership of any Indian company.</p>
Ms. Anita Thapar DIN: 02171074	<p>Ms. Anita Thapar, aged 43, is an MBA in Finance & HR and has been working with the Company since 2003 and of late has been working closely with the Corporate Team in the capacity of Senior Manager – Corporate Co-ordination. She has been working in various capacities for the last 20 years, and has been co-opted on the Company's Board for the first time.</p> <p>She holds 10 equity shares in the Company as on 31st March, 2015.</p>	<p>More Energy India Ltd. Amazing Leathers Ltd. Mosaic Intertrade Ltd. Leading Hotels Limited Hermanos Zubadi Investments Pvt. Ltd. Maratha Broadcasting Company Pvt. Ltd.</p> <p>She is a member of the Stakeholders' Relationship Committee of the Company. She is not a member of any other committee across all the companies she holds office of director.</p>
Mr. Shiv Kumar Jatia DIN: 00006187	<p>Mr. Shiv Kumar Jatia, aged 62, is a commerce graduate and has been on the Board of the Company since inception, joining it effective 6th December, 1980. He was appointed as Executive Director with effect from 10th April, 1981, as Joint Managing Director with effect from 24th September, 1984, and thereafter, as Managing Director, effective 25th June, 1990. He is an industrialist of high repute and has rich business experience of nearly 42 years, especially in the hospitality industry. Mr. Jatia is the Chairman & Managing Director of the Company. He is also the Managing Director of Leading Hotels Limited, a subsidiary of the Company.</p> <p>He holds 2668027 equity shares in the Company as on 31st March, 2015.</p> <p>Mr. Shiv Kumar Jatia is the father of Mr. Amritesh Jatia, Director.</p>	<p>3F Industries Ltd. Energy Infrastructure (India) Ltd. Leading Hotels Limited Country Development and Management Services Private Limited Pergo India Private Limited Chanakya Hotels Pvt. Ltd. Rose Servised Apartments (India) Pvt. Ltd. Hind Broadcasting Company Pvt. Ltd. Sun Media Pvt. Ltd. Mumbai Broadcasting Company Pvt. Ltd. Amazing Academics Pvt. Ltd. Smart Realtors Pvt. Ltd. Smart Tourism Pvt. Ltd. RSJ Developers Pvt. Ltd. Prudential Hotels Pvt. Ltd. Newtown Leisure Pvt. Ltd. Asian Holdings Pvt. Ltd. Eternal Healthcare Solutions Pvt. Ltd. Newtown Hospitality Pvt. Ltd.</p> <p>Mr. Jatia is a member of the Audit Committee and Stakeholders' Relationship Committee of the Company. Further, he is a member of the Audit Committee of Leading Hotels Limited.</p>

Note: Only membership and/or chairmanship of Audit Committee and Investors' Grievance / Stakeholders' Relationship Committee in public limited companies have been indicated above.

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: 12th August, 2015

ASIAN HOTELS (NORTH) LIMITED

Statement pursuant to Clause IV of Para (B) of Section II of Part II of Schedule V to the Act, detailing information prescribed therein regarding the proposals to appoint / re-appoint Ms. Anita Thapar and Mr. Shiv Kumar Jatia, and forming part of the Notice convening the said meeting and the accompanying Statement under Section 102 of the Act

I.	General Information				
	1.	Nature of industry	Asian Hotels (North) Limited operates in the Hospitality Sector and owns and operates a Five Star Deluxe Hotel namely, Hyatt Regency Delhi.		
	2.	Date or expected date of commencement of commercial production	The only operating hotel of the Company namely Hyatt Regency Delhi became fully operational on 1 st May, 1983.		
	3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
	4.	Financial performance based on given indicators	Financial Parameters	FY 2014-15 (Rs. in lacs)	FY 2013-14 (Rs. in lacs)
			Revenue from Operations	232.49	227.76
			Other Income	30.95	65.14
			Total Income	263.44	292.90
			Profit before interest, depreciation & prior period adjustments	75.01	127.78
			Interest & Finance charges	93.64	73.42
			Depreciation & Amortization	26.54	11.43
			Prior Year Adjustments	0.16	0.08
			Provision for Impairment on value of investment	0.00	51.19
			Profit / (Loss) before Tax	(45.33)	(8.34)
			Provision for Tax (Net)	2.85	15.32
			Net Profit / (Loss)	(48.18)	(23.66)
	5.	Foreign investments or collaborations, if any	As on 31 st March, 2015, the following foreign entities held shares in the Company:		
			1. Promoter Entities		
			Fineline Holdings Ltd., Mauritius	5510645	(28.33%)
			[Holding as on 31 st March, 2014	7360645	(37.84%)]
			Yans Enterprises (H.K.) Ltd., Mauritius	5336880	(27.43%)
			[Holding as on 31 st March, 2014	5336880	(27.43%)]
			2. Non-Promoter Entity		
			GEG Investments Pty. Ltd., Australia	690802	(3.55%)
			[Holding as on 31 st March, 2014	690802	(3.55%)]
II.	Information about the appointee				
	Name of the Director		Ms. Anita Thapar (Resolution no. 6)	Mr. Shiv Kumar Jatia (Resolution no. 10)	
	1.	Background details	Ms. Anita Thapar is an MBA in Finance & HR from Symbiosis, Pune. She has been working with the Company since 2003 and lately, has been working closely with the Corporate Team in the capacity of Senior Manager – Corporate Co-ordination.	Mr. Jatia, aged 62, is a commerce graduate and has been on the Board of the Company since inception, joining it effective 6 th December, 1980. He was appointed as Executive Director with effect from 10 th April, 1981, and later as Managing Director, effective 25 th June, 1990. Mr. Jatia is an industrialist of high repute.	

ASIAN HOTELS (NORTH) LIMITED

	2.	Past remuneration	Prior to her appointment as a whole-time director, her remuneration in the capacity of Senior Manager – Corporate Co-ordination for the financial year 2014-15 was Rs. 16.81 lac per annum inclusive of employer's contribution to provident fund. Further, she was entitled to Company car.	The remuneration paid for the year ended 31st March, 2015, subject to the approval of the Central Government, was as under: Salary: Rs. 93,60,000 HRA: Rs. 56,16,000 Employer's Contribution to Provident fund: Rs. 10,59,685 Other benefits: Rs. 79,276 Perquisites: Rs. 99,750 Total: Rs. 1,62,14,711
	3.	Recognition or awards	None	None
	4.	Job profile and his/her suitability	As an Executive Director, she is responsible for administration & corporate co-ordination function in the Company. The Board considers that in view of her past performance, she is a suitable candidate for the given responsibilities.	As Managing Director, Mr. Jatia is responsible for the overall operations of the Company. He has been instrumental in the overall growth the Company could achieve over the last three decades. He holds the office of managing director in the Indian Subsidiary namely Leading Hotels Limited.
	5.	Remuneration proposed	Please refer Table A below	Please refer Table B below
	6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him/her and the industry benchmarks, the respective remuneration proposed to be paid to them is commensurate with the remuneration packages paid to similar senior level appointees in other companies of the same size.	
	7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides the remuneration proposed, no other pecuniary relationship exists with the Company. She is not related to any director or key managerial personnel.	Besides the remuneration proposed, no other pecuniary relationship exists with the Company. He is not related to any director or key managerial personnel except Mr. Amritesh Jatia, Director.
III.	Other Information			
	1.	Reasons of loss or inadequate profits	High interest burden and higher depreciation cost under the new regime are the major reasons for the loss suffered by the Company. Moreover, the hospitality industry in general has not been doing well due to reduced international tourist inflow and fresh competition from newer hotels affecting both the occupancy levels as well as the average room rate. Over the last few years, foreign exchange fluctuation has severely impacted the operations of the Company as the Company had substantial liability on account of external commercial borrowings.	
	2.	Steps taken or proposed to be taken for improvement	The Company is earnestly working on controlling the operational costs, re-financing its debts to reduce the interest costs and improving the overall efficiency levels to improve the Overall performance.	
	3.	Expected increase in productivity and profits in measurable terms	The Company is making all out efforts in increasing efficiencies and controlling costs. It is expected that these efforts should yield results and the performance during the financial year 2015-16 should be better than the year under review.	
IV.	Disclosures		Other relevant disclosures form part of Corporate Governance Report which is appended to the Director's Report and may be read as part of this Notice. Please refer page no. 30	

ASIAN HOTELS (NORTH) LIMITED

Table A
Remuneration proposed to be paid to Ms. Anita Thapar during her tenure of appointment

(Amount in Rupees)

Particulars	Monthly Remuneration	Annualised Remuneration
Salary [Scale 75000-7500-90000]	75,000	9,00,000
Perquisites		
House Rent Allowance @ 40% of Salary	30,000	3,60,000
Special Allowance	33,800	4,05,600
Leave Travel Assistance – once a year equivalent to one month's salary		75,000
Ex-gratia equivalent to 20% of Salary		1,80,000
Other Benefits in accordance with the Company Policy: <ul style="list-style-type: none"> Premium towards Group Medical & Hospitalization Insurance Company maintained Car for business purposes only Employer's Contribution to Provident Fund @ 12% of Salary Gratuity 		

Table B
Remuneration proposed to be paid to Mr. Shiv Kumar Jatia during his tenure of appointment

(Amount in Rupees)

Particulars	Annualised Remuneration (Amount in Rupees)		
	FY 2016-17	FY 2017-18	FY 2018-19
Salary	1,08,00,000	1,15,20,000	1,22,40,000
Perquisites			
Housing: Company's expenditure on providing accommodation (furnished or otherwise) shall not exceed 60% of Salary. Alternately, house rent allowance equivalent to 60% of the salary shall be paid	64,80,000	69,12,000	73,44,000
Leave Travel Assistance: First class airfare for self and family, once a year to any destination, amount not exceeding one month's basic salary	9,00,000	9,60,000	10,20,000
Club Fees: Fees, excluding life membership fees and expenses at clubs subject to a maximum of two clubs	1,00,000	1,00,000	1,00,000
Premium towards Group Medical / Personal Accident Insurance Policy	1,00,000	1,00,000	1,00,000
Other Benefits			
Employer's Contribution to Provident Fund @ 12% of the Salary, in accordance with the Company's policy.	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Gratuity: Gratuity shall be payable at the rate of 15 days' salary for each completed year of service in accordance with the Company's policy.	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act	Does not form part of the managerial remuneration under Section IV of Part II of Schedule V to the Act
Car / Telephone: Car with driver for use on Company's business, and telephone / telefax facility at residence shall be provided for business purposes only – Perquisite value	39,600	39,600	39,600
Total Remuneration	1,84,19,600	1,96,31,600	2,08,43,600

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

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: 12th August, 2015

ASIAN HOTELS (NORTH) LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to submit their 34th Report together with the Audited Financial Statements for the year ended 31st March, 2015.

FINANCIAL RESULTS & THE STATE OF COMPANY'S AFFAIRS

(on stand-alone basis)

(Rupees in Crore)

Particulars	FY 2014-15	FY 2013-14
Revenue from Operations (Net)	232.49	227.76
Other Income	30.95	65.14
Profit Before Interest, Depreciation & Prior period adjustments	75.01	127.78
Interest & Finance charges	93.64	73.42
Depreciation & Amortisation	26.54	11.43
Prior Year Adjustments	0.16	0.08
Provision for impairment on value of investment	0.00	51.19
Profit/(Loss) Before Tax	(45.33)	(8.34)
Provision for Taxation (Net)	2.85	15.32
Net Profit/(Loss)	(48.18)	(23.66)
Surplus Brought Forward	159.25	185.19
Depreciation Adjustment based on transitional provisions under Schedule II to the Companies Act, 2013	(1.70)	0.00
Profit Available for Appropriation	109.37	161.53
Transfer to General Reserve	0.00	0.00
Proposed/Paid Dividend - Preference Shares	0.00	0.00
Proposed Dividend – Equity	0.00	1.95
Corporate Dividend Tax	0.00	0.33
Surplus Carried Forward	109.37	159.25
Earning per share - Basic & Diluted (Rs.)	(24.77)	(12.16)

Despite marginal decrease in the room revenue, total net revenue from operations for the financial year 2014-15 was Rs. 232.49 crore as against Rs. 227.76 crore in the prior year, a marginal increase of 2%. Though the average room rate during the year under review was a shade better than the prior year, the room revenue declined primarily due to lower occupancy levels.

Revenue from Food & Beverage in the year under review registered a moderate increase of 7% over the prior year. The new banquet facility namely, "The Mansion" became operational from August 2014, and is now a much sought-after event venue. Your Directors expect it to bring in more revenue and give a fillip not only to 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. 30.95 crore (prior year Rs. 65.14 crore) which included gain on foreign currency transactions and translation (other than considered as finance cost) of Rs. 2.27 crore (prior year Rs. 26.16 crore); net gain on sale of fixed assets of Rs. 24.75 crore (prior year Rs. 26.83 crore) and total interest income of Rs. 2.35 crore (prior year Rs. 9.98 crore).

Your Directors would like to inform that the six acre plot of land acquired by the Company for constructing a hotel with permissible commercial space in New Town, Kolkata has been sold in July 2015, as it was considered not viable to develop the said property given the current economic scenario and the Company's liquidity position.

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 during the year under review is 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.

ASIAN HOTELS (NORTH) LIMITED

Consolidated Financial Results

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

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

Foreign Exchange Receipts

The Company's earnings in foreign exchange for the year under review amounted to Rs. 126.11 crore [including interest income of Rs. Nil (prior year Rs. 7.83 crore) from an overseas subsidiary] as compared to Rs. 140.94 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 Clause 5A.II of the Listing Agreement, 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
Status of un-claimed shares as of the date of last Directors' Report	854	71600
No. of claims settled and shares released to the rightful claimants since then*	13	3343
Balance un-claimed shares as on date**	841	68257

*Includes 3 cases representing 199 shares which have been released from Un-claimed Suspense Account but are in the process of transmission.

**Ever since shares were transferred to Un-claimed Suspense Account, a total of 21 claims for 2620 shares are pending for want of proper documents/supports from the investors. These include 4 claims for 1105 shares received since June 2015.

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.

PROMOTERS

The Company is controlled by the Jatia Group, comprising inter-alia, Mr. Shiv Kumar Jatia, Mr. Amrutesh Jatia and in turn the companies controlled by them namely Fineline Holdings Ltd., Yans Enterprises (H.K.) Ltd. 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 with the laying of roads. The said project will be under the management of Four Seasons, a world famed hotel chain and Hospitality Management Company.

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

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. Mohinder Puri & Company, Chartered Accountants, New Delhi, the present statutory auditors of the Company, retire at the forthcoming Annual General Meeting and are eligible for re-appointment. However, they have expressed their unwillingness to be re-appointed as statutory auditors.

In view of the above, the Board of Directors of the Company, on the recommendations of the Audit Committee, proposes to appoint M/s. Dhirubhai Shah & Doshi, Chartered Accountants, Ahmedabad (Firm Registration No.- 102511W), in place of the outgoing auditors

ASIAN HOTELS (NORTH) LIMITED

M/s. Mohinder Puri & Company, and an appropriate resolution is proposed at Item No. 3 of the Notice convening the ensuing annual general meeting.

The Auditors in their report have observed that they have not received a declaration under Section 164(2) of the Act, regarding disqualifications, if any, relating to one of the directors.

Your Directors wish to clarify that the Company has in the meantime received the requisite declaration from the said director confirming that he is not disqualified as a director of the Company.

Further, the Auditors in para (9) of the Annexure to their Report have pointed out an instance of delay in repayment of foreign currency term loan, which was repaid before the end of financial year.

Your Directors wish to clarify that due to temporary cash flow mis-match, the repayment of an installment in respect of foreign currency term loan was delayed beyond 30 days but the dues were cleared prior to the year end. Your Directors are confident that the Company has adequate arrangements to meet its liabilities in time.

The Auditors in their report have also drawn attention to Note 27(A)(e) to the Stand-alone Financial Statements, which describes the uncertainty relating to the out-come of the lawsuits filed against the Company relating to an accident in the hotel premises.

Your Directors are confident of defending the interests of the Company.

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

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, 2015, have made the following observations:

- a) that the remuneration paid to the Managing Director was in excess of the limits specified under Sections 196 and 197 read with Schedule V to the Act; and
- b) that there was a delay in repayment of an installment relating to an external commercial borrowing (ECB loan).

Your Directors wish to clarify that the Company has initiated appropriate actions for being compliant with the regulatory framework with regard to observation made at (a) above, details of which are given under the head "Directors and Key Managerial Personnel".

Your Directors further wish to clarify that the observation made by the Secretarial Auditors at (b) above has already been dealt with and answered appropriately under the head "Statutory Auditors & their Report".

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 2015-16.

ALTERATION OF ARTICLES OF ASSOCIATION

With the introduction of the Companies Act, 2013 (the Act), the existing Articles of Association of the Company are required to be amended to bring these in line with the provisions of the Act. In view of the above, it was considered appropriate to adopt an entirely new set of Articles of Association, which are not only in compliance with the Act but are also in tune with the dynamics of business enabling the Company to take up all such activities which are otherwise permitted by the Act but can only be taken up if provided for in the Articles.

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Dipendra Bharat Goenka, who was appointed as a director in the previous annual general meeting in pursuance of Section 160 of the Act, 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 existing independent non-executive directors were appointed pursuant to Section 149 of the Act for a term of five years from the conclusion of the previous 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 of Schedule IV to the Act, read with Clause 49(II)(B)(5) of the Listing Agreement, the Board in its meeting held on 28th May, 2015, 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.

Mrs. Archana Jatia, who was appointed as an additional director effective 8th August, 2014, in pursuance of Section 161(1) of the Act, and was later appointed pursuant to Section 160 of the Act in the previous annual general meeting, resigned from the office of director effective 17th April, 2015.

Subsequent to the resignation of Mrs. Archana Jatia, Ms. Anita Thapar was appointed as an additional director on 28th May, 2015, in pursuance of Section 161(1) of the Act and holds office up to the date of the ensuing annual general meeting. The Company has received a notice under Section 160 of the Act, along with the requisite deposit, proposing her candidature for the office of director.

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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 with immediate effect, and was designated as Executive Director – Administration & Corporate Co-ordination. The Nomination and Remuneration Committee had reviewed and recommended her appointment. The terms and conditions of her appointment are detailed in the proposed special resolution set out at Item No. 6 of the Notice convening the ensuing annual general meeting.

In the 29th Annual General Meeting held on 28th September, 2010, Mr. Shiv Kumar Jatia was re-appointed as the Managing Director of the Company for a period of five years with effect from 10th April, 2011. Accordingly, Mr. Jatia completes his tenure on 9th April, 2016. The Nomination and Remuneration Committee has reviewed and recommended his re-appointment, and consequently, the Board of Directors propose to re-appoint him for a further term of three years on such terms and conditions as are detailed in the proposed special resolution set out at Item No. 10 of the Notice convening the ensuing annual general meeting.

Due to inadequate profit during the financial year 2013-14, even the minimum remuneration, as approved by the shareholders in the annual general meeting held on 28th September, 2010, paid to Mr. Jatia was in excess of 5% of the net profit as computed in terms of Section 198 read with Sections 397 and 398 of the Companies Act, 1956. Similarly, due to unexpected loss incurred by the Company during the financial year 2014-15, the minimum remuneration as aforesaid was in excess of the limits specified under Para A of Section II of Part II of Schedule V to the Act. In view of the above, your Directors have proposed special resolutions as set out at Item Nos. 7 & 8 of the Notice convening the forthcoming annual general meeting, to seek your approval for waiver of recovery of excess remuneration so paid and also to make appropriate applications to the Central Government to seek its approval there-for.

Your approval is also sought vide proposed special resolution set out at Item No. 9 of the Notice convening the forthcoming annual general meeting, for payment of remuneration, as detailed therein, in respect of the financial year 2015-16, notwithstanding the fact that such remuneration exceeds the limits specified under Para A of Section II of Part II of Schedule V to the Act.

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.

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, 2015, 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 Clause 49 of the Listing Agreement, 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. 30 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 C. Kothari, and Mr. Gautam R. 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

During the year under review, the Board of Directors of the Company in its meeting held on 4th November, 2014, had adopted a report on 'Risk Assessment & Mitigation thereof' identifying major risk factors for the Company and initiated steps, wherever possible, for minimization thereof.

MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, eight 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 Board of Directors has approved and adopted 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 put in place an evaluation criteria for assessment of its own performance, that of the committees of the Board and the individual directors. The details of the evaluation criteria are enumerated in the Nomination, Remuneration and Evaluation Policy as approved and adopted by the Nomination and Remuneration Committee and the Board of Directors of the Company and is annexed as Annexure 'J' and forms part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

All 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 and Clause 49 of the Listing Agreement, and such declarations were taken on record by the Board in its first meeting held during the financial year 2015-16.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts, arrangements or transactions entered in to by the Company during the financial year 2014-15, 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 policy of the Company on materiality of related party transactions.

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.

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.

ASIAN HOTELS (NORTH) LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is given below:

Industry Structure & Developments and Opportunities & Outlook

There is considerable evidence from other economies – Britain under Margaret Thatcher, Indonesia after the East Asian crisis and India after the 1991 reforms – which suggests that structural reform hurts an economy in the initial years before the economy takes off. India is at the beginning of the economic pain, as the resets engineered by the Current Government result in a downturn in real estate and rural India. Market sources are of the firm opinion that GDP growth estimate for financial year 2015-16 would be 7% as against 7.3% clocked for the financial year 2014-15. International business travel remains luke warm. Domestic tourism, however, has seen a growth, though not in the Five star hotel segment. It is expected that with economy improving in the US & Europe, international travel, into India, both for tourism and business should show a further increase in the coming fiscal.

Threats, Risks and Concerns

With the change in the Central Government, it was anticipated that the economy would achieve the GDP growth of 8%. However, the expected target seems to have been missed, and a growth rate of approx. 7% is expected in the current financial year and the next one. New legislations, important for the programme of reforms envisaged by the new Government, are being continuously delayed due to disruptive parliamentary sessions. This uncertainty is causing delay in foreign investment coming to the country, thereby, affecting international business travel. Going forward supply in Delhi is expected to see an addition of approx. 4000 new hotel rooms over the next five years. New hotels are expected to put pressure on Average Room Rates with supply increasing in the luxury and upper scale segments by almost 20%.

Review of Operational and Financial performance

The Company achieved aggregate revenue of Rs. 232.49 crore from operations for the year ended 31st March, 2015. The said revenue in the prior year was Rs. 227.76 crore.

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.

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 784 employees on its rolls as on 31st March, 2015.

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: 12th August, 2015

Shiv Kumar Jatia
Chairman & Managing Director
DIN: 00006187

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'A' FORMING PART OF THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

The Members,

Asian Hotels (North) Limited

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, 2015 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, 2015 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, 1992;
 - (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.
 - 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. Not applicable for the financial year 2014-15
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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 observations:

- 1. Remuneration paid to the Managing Director was in excess of the limits specified under Section 196 and 197 read with Schedule V to the Act;
- 2. There was a delay in repayment of an installment relating to an external commercial borrowing (ECB loan).

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.

ASIAN HOTELS (NORTH) LIMITED

Adequate notice is given to all the directors to schedule the Board Meetings, 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 Committees 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.

Dr. S.Chandrasekaran
Senior Partner

For Chandrasekaran Associates
Company Secretaries
Membership No. F1644
Certificate of Practice No. 715

Date : 10.08.2015
Place : New Delhi

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

Annexure-1

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

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

Dr. S. Chandrasekaran
Senior Partner

For Chandrasekaran Associates
Company Secretaries
Membership No. F1644
Certificate of Practice No. 715

Date: 10.08.2015
Place: New Delhi

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 2014 - 2015	Impact (savings in lac Rs. Per annum)
1.	Installed RO Plant	10.00
2.	Using treated sewage water/grey water in cooling towers	10.00
3.	New VFDs have been installed in secondary pumps/bigger AHUs	10.00
4.	Laundry operating timings modified	2.50

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). The Company has made an application to the State Load Dispatch Centre Delhi for availing the said open access system.	Necessary approvals are awaited
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 2015 – 2016	Impact (expected savings in lac Rs. Per annum)
1.	To install 26 power saver units; the Company proposes to invest Rs. 1.87 crore for installation of these power saver units.	100.00

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

- The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- During the year under review, foreign exchange earnings amounted to Rs. 126.11 crore (Rs. 140.94 crore in the prior year) against which the outgo in foreign exchange was equivalent to Rs. 58.64 crore (Rs. 66.00 crore in the prior year).
- 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, 2015:**

Name of the Director	Nature of Directorship	Ratio
Mr. Shiv Kumar Jatia	Chairman & Managing Director	60.43:1

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 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	8.25
Mr. Jyoti Subarwal	Chief Financial Officer	(4.12)*
Mr. Dinesh Kumar Jain	Company Secretary	0.09*

* percentages are calculated after excluding encashment of accumulated leave

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 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.

There was no increase in the amount payable as sitting fee for attending meetings of the Board or Committees thereof.

3. **The percentage increase in the median remuneration of employees in the financial year:** 3.40%

4. **The number of permanent employees on the rolls of Company as on 31st March, 2015:** 784

5. **Explanation on the relationship between average increase in remuneration and Company performance:**

Average increase in the remuneration of all employees including the Managing Director as compared to the previous year was 6.04%. The average increase in remuneration is linked to the overall operational performance and financial position of the Company.

6. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

The collective increase in remuneration of all the Key Managerial Personnel during the year under review is 2.06% over the prior year. The said increase is minimal and is in line with the performance of the Company.

7. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:**

Particulars	As at 31 st March, 2015	As at 31 st March, 2014	Variation (%)
Closing Share Price on BSE (in Rs.)	100.30	105.00	(4.48)
Market Capitalisation (Rs. in crore)	195.12*	204.26*	(4.47)
Price Earning Ratio	(4.05)	(8.63)	(53.07)

*Total number of shares as on 31st March, 2015 and 31st March, 2014 were 1,94,53,229.

Percentage increase in the price of share in comparison of last public offer:

The Company made its Initial Public Offer (IPO) in December, 1982 at a price of Rs. 10 per equity share. The market price of the shares as on 31st March, 2015 on BSE compared to the IPO price increased by 903%.

8. **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 5.90%, whereas percentage increase in remuneration of the Managing Director is 8.25%.

9. Comparison of the remuneration of each of the Key Managerial Personnel against the performance of the company:

The remuneration of individual key managerial personnel cannot be analyzed in comparison of the performance of the Company.

10. The key parameters for any variable component of remuneration availed by the directors:

Managing Director's remuneration has fixed as well as variable components. The variable component is commission on the net profit made by the Company during a relevant year. The calculation of net profit is done as per the provisions of the Act. Non- executive directors are paid only commission on profit as remuneration and the aggregate commission to all the non-executive directors is restricted to 1% of the net profit of the given year. However, the Board has the liberty to vary the amount or proportion payable to each one of the non-executive directors every year provided that individually none of such directors shall be entitled to a sum exceeding Rs. 5,00,000/-.

11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Highest paid director	:	Mr. Shiv Kumar Jatia, Managing Director
Employee(s) who received remuneration in excess of the Managing Director	:	Mr. Aseem Kapoor, General Manager-Hyatt Regency Delhi
Ratio of Mr. Jatia's remuneration to that of Mr. Kapoor's	:	0.95:1

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

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

ANNEXURE 'D' FORMING PART OF THE DIRECTORS' REPORT

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

S. NO.	NAME	AGE (YRS)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION IN (RS.)	QUALIFICATION	EXPERIENCE (YRS)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD/ DESIGNATION/ PERIOD
EMPLOYED THROUGHOUT THE YEAR								
1	Shiv Kumar Jatia	62	Chairman and Managing Director	1,62,14,711	B.COM	42	10.04.1981	Industrialist
2	Jyoti Subarwal	62	President-Finance & Operations	1,35,67,336	F.C.A.	37	01.08.1983	Mohinder Puri & Co., Chartered Accountants, New Delhi, Audit Manager (5 Yrs.)
3	Marin Leuthard	43	Executive Chef	75,63,625	Culinary Studies from Trade School Graduate	29	01.12.2012	Executive Chef, Grand Hyatt Muscat
4	Aseem Kapoor	47	General Manager-Hyatt Regency Delhi	1,71,42,644	IHM Mumbai, Graduate	25	27.05.2013	Hyatt Regency Mumbai

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 absence of profit.
- All appointments except that of Mr. Jyoti Subarwal 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. Amritesh Jatia and husband of Mrs. Archana Jatia (since resigned).
- During the year under review, Mr. Aseem Kapoor, General Manager-Hyatt Regency Delhi had drawn remuneration which was in excess of the remuneration drawn by the Managing Director, but he or his spouse or dependent children do not hold any share in 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 Clause 49 of the Listing Agreement, the Company's 'Corporate Governance Report' is given below:

BOARD OF DIRECTORS

In consonance with the requirements of Clause 49 of the Listing Agreement, the Board of Directors of the Company is constituted of an appropriate mix of executive and non-executive directors to maintain its independence; and to exercise effective governance and control over its executive functioning. At the beginning of the year under review, the Board had seven directors comprising four independent non-executive directors, two non-executive promoter directors and one executive chairman designated as Chairman & Managing Director.

During the year under review, Mrs. Archana Jatia was appointed as an additional director (non-executive promoter director) pursuant to Section 161(1) of the Companies Act, 2013, (the Act), as a woman director in compliance with Section 149(1) of the Act. With her appointment, the constitution of the Company's Board was in compliance with Clause 49 of the Listing Agreement as well as with the provisions of the Act.

Subsequent to the completion of the year under review, Mrs. Jatia resigned from the office of director effective 17th April, 2015. However, the vacancy so caused was filled up 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.

Accordingly, the constitution of the Company's Board continues to be in compliance with Clause 49 of the Listing Agreement as also with the provisions 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. The Board has been meeting at least once every quarter and ensures that the gap between two consecutive meetings does not exceed four months.

The Company was in full compliance with the requirements of Clause 49 of the Listing Agreement with regard to the composition of the Board through-out the year under review.

During the year under review, eight Board meetings were held, i.e. on 23rd April, 2014, 28th May, 2014, 24th July, 2014, 8th August, 2014, 16th September, 2014, 4th November, 2014, 10th February, 2015 and 8th March, 2015.

Pursuant to the provisions of Clause 49 of the Listing Agreement, the composition of the Board, details of directorships held, committee memberships / chairmanships held, and attendance of the directors at the Board meetings and 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: 30 th September, 2014	No. of Directorships held in private companies ^	No. of Directorships held in public companies^	No. of Committee	No. of Chairmanship in such Committees ^
1.	Mr. Shiv Kumar Jatia	Executive [Chairman & Managing Director] & Promoter Director	8/8	YES	16	4	3	0
2.	Dr. Lalit Bhasin	Independent Non – Executive Director	7/8	NO	0	9	9	3
3.	Mr. Gautam Ramanlal Divan	Independent Non – Executive Director	8/8	NO	5	1	1	0
4.	Mr. Dinesh Chandra Kothari	Independent Non – Executive Director	4/8	YES	8	4	5	2
5.	Mr. Priya Shankar Dasgupta	Independent Non – Executive Director	6/8	YES	10	9	8	2
6.	Mr. Dipendra Bharat Goenka	Non – Executive & Promoter Director	1/8	NO	0	1	0	0
7.	Mr. Amrutesh Jatia	Non – Executive & Promoter Director	7/8	YES	1	2	0	0
8.	Mrs. Archana Jatia	Non - Executive & Promoter Director	1/5*	NO	11	1	0	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.

^ Includes directorship/membership/Chairmanship of the Board/ Committees of Asian Hotels (North) Limited; excludes foreign bodies corporate; and reflects status as at the close of financial year under review. Only membership and/or chairmanship of Audit Committee and Stakeholders' Relationship Committee in public limited companies have been taken for this purpose.

*Includes the meeting (held on 8th August, 2014), during which Mrs. Archana Jatia was appointed as a Director.

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 the Listing Agreements with the Stock Exchanges and various provisions of the Act.

a) Audit Committee:

In pursuance of Section 177 of the Act, read with amended Clause 49(III) of the Listing Agreement, the Audit Committee was re-constituted by the Board in its meeting held on 23rd April, 2014. The Committee comprises of four members namely Dr. Lalit Bhasin, Mr. Dinesh C. Kothari and Mr. Gautam R. Divan, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, Chairman & Managing Director. Mr. Jyoti Subarwal, the Chief Financial Officer of the Company designated as President-Finance & Operations and Mr. Vikas Vig, Partner, M/s. Mohinder Puri & Co., Chartered Accountants, being the statutory auditors were the permanent invitees to the committee meetings. The terms of reference of the Committee, its role and powers are in consonance with the provisions of Section 177 of the Act and Clause 49 of the Listing Agreement, 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 who are 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/or 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; and hold memberships in various Committees 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, seven meetings of the Committee were held viz. 23rd April, 2014, 28th May, 2014, 24th July, 2014, 8th August, 2014, 4th November, 2014, 10th February, 2015 and 8th March, 2015.

<i>Name of the Director</i>	<i>Category</i>	<i>No. of Meetings Attended</i>
Dr. Lalit Bhasin	Independent Non-Executive	6/7
Mr. Dinesh Chandra Kothari	Independent Non-Executive	4/7
Mr. Gautam Ramanlal Divan	Independent Non-Executive	7/7
Mr. Shiv Kumar Jatia	Executive & Promoter Director	6/6*

*Mr. Jatia was appointed as a member of the Committee by the Board in its meeting held on 23rd April, 2014

b) Share Transfer and Shareholders' Grievance Committee/Stakeholders' Relationship Committee:

The Board, in its meeting held on 23rd April, 2014, re-named the existing Share Transfer and Shareholders' Grievance Committee as 'Stakeholders' Relationship Committee', which conforms to the provisions of Section 178 of the Act, read with Clause 49(VIII)(E) of the Listing Agreement, as amended. During the year under review, the Committee comprised of three members namely Mr. Dinesh C. Kothari, an Independent Non-Executive Director as Chairman, Mr. Shiv Kumar Jatia, Managing Director and Dr. Lalit Bhasin, also an Independent Non-Executive Director, until he resigned from the Committee effective 21st March, 2015. Mr. Jyoti Subarwal, President-Finance & Operations acts as Advisor to the Committee.

Subsequently, the Board in its Meeting held on 28th May, 2015 re-constituted the Committee by co-opting Mr. Gautam Ramanlal Divan, an independent non-executive director and Ms. Anita Thapar, an executive director as members of the Committee.

The Committee's primary responsibility is to supervise redressal of shareholders' grievances. It acts as a catalyst for matters concerning shareholders and is quite proactive in its approach. The Committee met four times during the year. The Company received 39 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) Remuneration Committee / Nomination & Remuneration Committee:

The Board in its meeting held on 23rd April, 2014, re-designated the Remuneration Committee as 'Nomination & Remuneration Committee' pursuant to Section 178 of the Act, read with amended Clause 49 (IV) of the Listing Agreement, as applicable effective 1st October, 2014. The Committee comprises of three independent non-executive directors viz. Dr. Lalit Bhasin, as Chairman of the Committee, and Mr. Dinesh C. Kothari and Mr. Gautam R. Divan as its members. The Company Secretary acts as the Secretary to the Committee, and any two members shall form the quorum. The terms of reference of the Committee are as under:

ASIAN HOTELS (NORTH) LIMITED

- To formulate the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board, a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 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, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity; and
- To determine on behalf of the Board, the Company's policy governing remuneration payable to whole time director(s); and recommend their remuneration including pension rights and any compensation payment, subject to approval of the Board and the shareholders.

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

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 executives 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.

The Board of Directors has approved and adopted a policy in due compliance of Section 178 of the Act read with rules framed there-under and Clause 49, as amended, of the Listing Agreement, namely 'Nomination, Remuneration and Evaluation Policy' which is appended to the Directors' Report as Annexure 'J'.

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	1,62,14,711	0	1,62,14,711
Dr. Lalit Bhasin	2,76,000	0	0	2,76,000
Mr. Gautam Ramanlal Divan	2,28,000	0	0	2,28,000
Mr. Dinesh Chandra Kothari	1,80,000	0	0	1,80,000
Mr. Priya Shankar Dasgupta	84,000	0	0	84,000
Mr. Amrithesh Jatia	1,20,000	0	0	1,20,000
Mr. Dipendra Bharat Goenka	12,000	0	0	12,000
Mrs. Archana Jatia*	12,000	0	0	12,000
Grand Total	9,12,000	1,62,14,711	0	1,71,26,711

^{^^}Excluding Service Tax

[^] Current tenure is for five years beginning 10th April, 2011

* appointed with effect from 8th August, 2014; resigned effective 17th April, 2015

d) Corporate Social Responsibility (CSR) Committee

The Board in its meeting held on 26th March, 2014, constituted the CSR Committee in terms of Section 135 of the Act. The Committee comprises of four members viz. Mr. Shiv Kumar Jatia, Managing Director who chairs the Committee meetings; and Dr. Lalit Bhasin, Mr. Dinesh C. Kothari, and Mr. Gautam R. Divan, Independent Non-executive Directors. Quorum for the Committee meetings is two members. No sitting fee is paid to the members for attending its meetings.

The Committee was initially entrusted with the task of formulating a CSR Policy with a major focus on promoting education, health care and sanitation, and waste management, pollution control & environment protection; and also for 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 aforesaid activities should be undertaken, and to allocate the amount of expenditure to be incurred on each of the activities referred herein-above, and to advise a monitoring and reporting mechanism to ensure that the designated activities are undertaken and the funds allocated there-for are utilized appropriately. Later, the Board in its meeting held on 10th February, 2015, revisited its earlier resolution of 26th March, 2014 and the scope of activities was extended to all the activities permitted under Schedule VII to the Act.

ASIAN HOTELS (NORTH) LIMITED

The Committee has also formulated a CSR policy and the same has been uploaded on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>

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

OTHER BOARD RELATED DISCLOSURES

Exclusive Meeting of the Independent Directors of the Company

During the year under review, an exclusive meeting of the independent directors was held on 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.

The meeting was attended by all the independent directors of the Company.

Familiarization Programme for Independent Directors

The Company has, in pursuance of Clause 49 of the Listing Agreement, formulated 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. The details of such Familiarisation Programme have been uploaded on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

The Familiarization Programmes shall be conducted as and when required for the new directors, and annually for all the independent directors.

The Company has issued formal letters of appointment to its independent directors as required under Clause 49 of the Listing Agreement. General terms and conditions of appointment of independent directors are available on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Terms%20&%20Conditions%20of%20Appointment%20of%20Independent%20Directors.pdf>

Shareholding of Non-Executive Directors

As on 31st March, 2015, 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

Financial Year	Nature of Meeting	Venue	Date	Time
2011-12	AGM#	Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi- 110066	25.09.2012	11.30 a.m.
2012-13	AGM#	-do-	25.09.2013	11.30 a.m.
2013-14	AGM^	-do-	30.09.2014	11.30 a.m.

There was no item requiring approval by special resolution.

^ A special resolution was approved 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.

During the year under review, the Company conducted a postal ballot process as initiated by the Board in its meeting held on 24th July, 2014, to secure shareholders' approval for the following businesses by means of separate special resolutions enabling the Company:

- To provide security and/or to give guarantees in connection with loans made to Leading Hotels Limited and Newtown Hospitality Private Limited up to an aggregate amount not exceeding Rs. 600 crore pursuant to Section 186 and other applicable provisions, if any, of the Act;
- To sell, lease or otherwise dispose of certain immovable assets of the Company pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Act;
- To borrow up to a sum not exceeding Rs. 1,500 crore pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Act; and
- To create charge, mortgage, hypothecation or other encumbrance on the assets of the Company to secure borrowings up to a sum not exceeding Rs. 1,500 crore pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Act.

The Company, following the due procedure described under the extant rules applicable for postal ballot under the Act had provided the facility of e-voting to the shareholders in addition to physical voting through postal ballot. The Notice of Postal Ballot dated 24th July, 2014, was sent to the shareholders, whose names appeared in the Register of Members as at the close of business hours on Friday, the 1st August, 2014, and accordingly, the voting rights were reckoned on the paid up value of shares registered in the name of the shareholders as on the said date. The mailing of the Notice of Postal Ballot was completed by Friday, the 8th August, 2014. Consequently, the last date of receipt of the Postal Ballot Forms was Monday, the 8th September, 2014. Dr. S. Chandrasekaran, Senior Partner, M/s. Chandrasekaran Associates, Company Secretaries, who was appointed as the Scrutinizer to conduct the postal ballot process in fair and transparent manner, submitted his report on Thursday, the 11th September, 2014.

ASIAN HOTELS (NORTH) LIMITED

Dr. Lalit Bhasin, an independent non-executive director and Chairman of the Audit Committee received the Scrutinizer's Report on behalf of the Chairman & Managing Director, and based upon the said report, announced the results of the postal ballot at the Registered Office of the Company on Thursday, the 11th September, 2014 at 5.00 p.m., and the said date was taken to be the date of passing of the aforesaid resolutions.

The voting pattern for the said postal ballot was as under:

Particulars	Resolution No. 1	Resolution No. 2	Resolution No. 3	Resolution No. 4
	No. of shares	No. of shares	No. of shares	No. of shares
Total number of votes received through postal ballot forms	11640676	11640676	11640676	11640676
Less: No. of Invalid Votes	53	53	53	53
Less: No. of Votes not Polled	27230	27665	27664	27965
Net valid number of votes cast through postal ballot forms	11613393	11612958	11612959	11612658
Total number of votes which have been cast in favour of the Resolution	11610483	11610279	11610200	11609553
Total number of votes which have been cast against the Resolution	2910	2679	2759	3105

The result of the said postal ballot was communicated to BSE Limited and The National Stock Exchange of India Limited, where the equity shares of the Company are listed. The said results were displayed on the Company's website www.asianhotelsnorth.com, and were published in the newspapers within 48 hours of their declaration.

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.

During the year under review, the Company held 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, the Company has divested its entire shareholding in this subsidiary on 27th July, 2015, and consequently, it ceases to be the Company's subsidiary.

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 2014-15, Leading qualifies as the material non-listed Indian 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.

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

MATERIAL DISCLOSURES

Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct, namely 'AHNL Code of Conduct', applicable to all the Board Members and Senior Management Personnel and the same has been uploaded on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Code%20of%20Conduct.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 Clause 49 of the Listing Agreement and Section 149(6) read with rules made there under and Schedule IV to the Act. Reliance was placed on these confirmations/declarations while ascertaining the adequacy of number of independent directors for the purposes of compliance with Clause 49 of the Listing Agreement.

Criteria for performance evaluation of independent directors is detailed in the Nomination, Remuneration and Evaluation Policy which is appended to the Directors' Report as Annexure 'J'.

Related Party Transactions

The Board of Directors of the Company has approved and adopted a 'Policy for Related Party Transactions' and the same has been uploaded on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Policy%20for%20Related%20Party%20Transactions.pdf>

There were no materially significant related party transactions that may have 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 Financial Statements (stand-alone). 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 Board of Directors from time to time.

Policy for Determining Material Subsidiaries

The Board of Directors of the Company has approved and adopted a 'Policy for Determining Material Subsidiaries' in pursuance of Clause 49(V) of the Listing Agreement and the same has been uploaded on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Policy%20for%20Determining%20Material%20Subsidiaries.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.

Risk Assessment and Minimization Procedures

The Company's Board is conscious of the need to periodically undertake the risk assessment and minimization procedures there-for. During the year under review, the Company had undertaken a comprehensive study on the subject when the Board deliberated on a report titled "Risk Assessment and Mitigation thereof" submitted by the President – Finance & Operations.

As part of the risk assessment and minimization procedures, the Company had, as in the previous years, identified certain risk areas with regard to the operations of the Company and initiated steps, wherever possible, for minimization thereof.

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

The details of establishment of the above vigil mechanism forms part of the Directors' Report. The 'Whistle Blower Policy' is uploaded on the website of the Company and can be accessed at: <http://www.asianhotelsnorth.com/pdf/Whistle%20Blower%20Policy.pdf>

Code on Insider Trading / Fair Disclosures

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

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

CEO/CFO Certification

A certificate, in accordance with the requirements of Clause 49(IX) of the Listing Agreement, duly signed by the Chairman & Managing Director and President – Finance & Operations in respect of the financial statements for the year under review was placed before the Board and was taken on record.

ASIAN HOTELS (NORTH) LIMITED

SHAREHOLDERS' INFORMATION

Profile of Directors seeking appointment / re-appointment

Name Of Director	Expertise In Specific Functional Area	Other Companies In Which Directorships Held
Mr. Dipendra Bharat Goenka DIN: 01969285	<p>Mr. Dipendra Bharat Goenka, aged 46, after graduating from the University of Southern California in 1989, started a clothing manufacturing company Modest Garments, with offices in Paris and manufacturing in Bombay. After running it successfully until 2000, he then bought an Australian trading company, Best Corporation and moved to Melbourne.</p> <p>In 2001, he started a global manufacturing and supply company based in Hangzhou, China called Indochine Group. Today Indochine Group has factories in China, Vietnam, Cambodia and Bangladesh and a sales office in UK, USA, Germany, South Africa and Australia.</p> <p>In 2006, Mr. Goenka started Forever New, a young ladies retail brand of which he is currently CEO. Forever New has 290 stores across ten different countries. Mr. Goenka has rich business experience of about 25 years. He was first co-opted on the Company's Board on 26th March, 2014.</p> <p>Mr. Goenka does not hold any share in the Company.</p>	<p>He holds directorships in many overseas companies.</p> <p>He holds directorship only in one Indian company namely Apostle Trading Consultant Private Limited.</p> <p>He does not hold chairmanship/membership of any Indian company.</p>
Ms. Anita Thapar DIN: 02171074	<p>Ms. Anita Thapar, aged 43, is an MBA in Finance & HR and has been working with the Company since 2003 and of late has been working closely with the Corporate Team in the capacity of Senior Manager – Corporate Co-ordination. She has been working in various capacities for the last 20 years, and has been co-opted on the Company's Board for the first time.</p> <p>She holds 10 equity shares in the Company as on 31st March, 2015.</p>	<p>More Energy India Ltd. Amazing Leathers Ltd. Mosaic Intertrade Ltd. Leading Hotels Limited Hermanos Zubadi Investments Pvt. Ltd. Maratha Broadcasting Company Pvt. Ltd.</p>
Mr. Shiv Kumar Jatia DIN: 00006187	<p>Mr. Shiv Kumar Jatia, aged 62, is a commerce graduate and has been on the Board of the Company since inception, joining it effective 6th December, 1980. He was appointed as Executive Director with effect from 10th April, 1981, as Joint Managing Director with effect from 24th September, 1984, and thereafter, as Managing Director, effective 25th June, 1990. He is an industrialist of high repute and has rich business experience of nearly 42 years, especially in the hospitality industry. Mr. Jatia is the Chairman & Managing Director of the Company. He is also the Managing Director of Leading Hotels Limited, a subsidiary of the Company.</p> <p>He holds 2668027 equity shares in the Company as on 31st March, 2015.</p> <p>Mr. Shiv Kumar Jatia is the father of Mr. Amritesh Jatia, Director.</p>	<p>3F Industries Ltd. Energy Infrastructure (India) Ltd. Leading Hotels Limited (Member, Audit Committee) Country Development and Management Services Private Limited Pergo India Private Limited Chanakya Hotels Pvt. Ltd. Rose Serviced Apartments (India) Pvt. Ltd. Hind Broadcasting Company Pvt. Ltd. Sun Media Pvt. Ltd. Mumbai Broadcasting Company Pvt. Ltd. Amazing Academics Pvt. Ltd. Smart Realtors Pvt. Ltd. Smart Tourism Pvt. Ltd. RSJ Developers Pvt. Ltd. Prudential Hotels Pvt. Ltd. Newtown Leisure Pvt. Ltd. Asian Holdings Pvt. Ltd. Eternal Healthcare Solutions Pvt. Ltd. Newtown Hospitality Pvt. Ltd.</p>

Note: Only membership and/or chairmanship of Audit Committee and Investors' Grievance / Stakeholders' Relationship Committee in public limited companies have been indicated above.

Means of Communication

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

ASIAN HOTELS (NORTH) LIMITED

Annual General Meeting

Day, Date & Time:

Monday, the 21st September, 2015 at 11:30 a.m.

Venue:

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

Financial Year/Calendar

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

The calendar for the current financial year 2015-16 is proposed as under:

Financial Reporting for the quarter ending 30 th June, 2015	On 12 th August, 2015
Financial Reporting for the half year ending 30 th September, 2015	By the mid of November 2015
Financial Reporting for the third quarter ending 31 st December, 2015	By the mid of February 2016
Financial Reporting for the year ending 31 st March, 2016	By the end of May 2016

Book Closure	From Tuesday, the 15th September, 2015 to Monday, the 21st September, 2015 (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

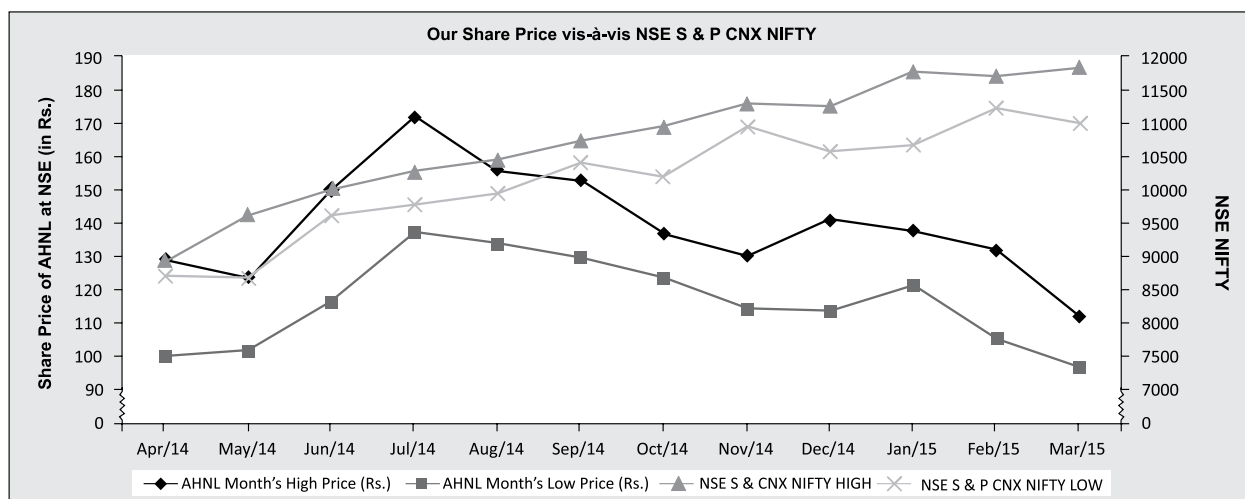
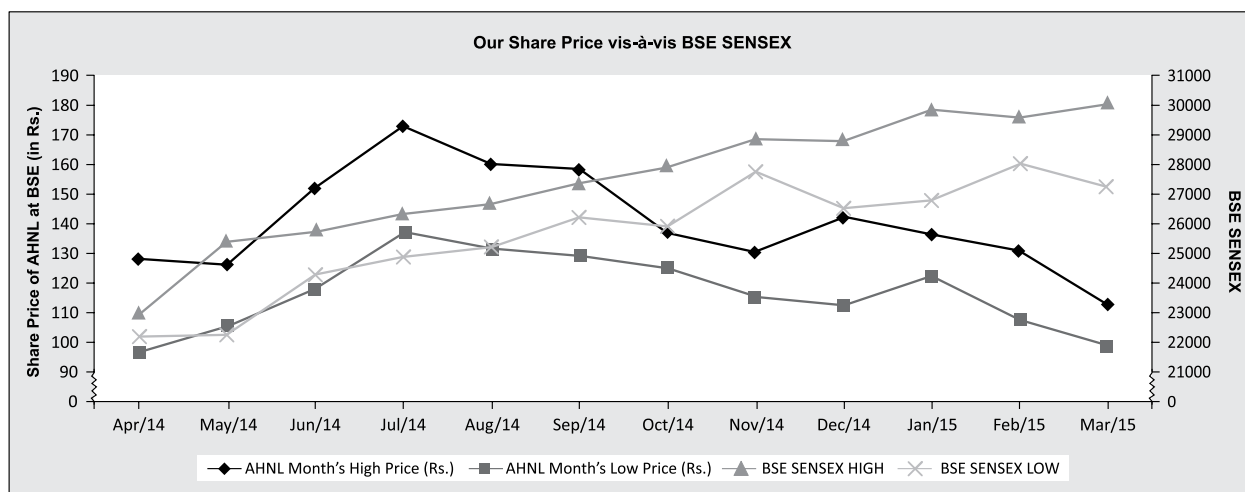
The monthly high and low quotations, as well as the volume of shares traded at BSE Limited and The National Stock Exchange of India Limited are as follows:

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 2014	128.00	97.35	13210	129.00	100.00	78769
May 2014	126.00	105.00	45870	123.60	101.40	134409
Jun 2014	151.85	118.00	53091	150.00	116.20	146108
Jul 2014	172.85	137.10	75031	172.00	137.25	111242
Aug 2014	159.80	131.50	33734	156.00	133.75	56818
Sep 2014	158.00	129.00	190942	152.90	129.75	248663
Oct 2014	137.00	125.00	54213	137.00	123.55	60453
Nov 2014	130.00	115.05	263239	130.00	114.00	332200
Dec 2014	141.90	112.10	33043	141.40	113.50	93249
Jan 2015	136.30	122.10	34622	137.90	121.25	64434
Feb 2015	130.80	107.50	27256	131.90	105.00	33636
Mar 2015	112.80	98.60	18666	112.00	96.60	57003

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 31 st March, 2015				As on 31 st March, 2014			
	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	15533	96.38	894587	4.60	16329	96.65	945333	4.86
501 – 1000	316	1.96	230197	1.18	321	1.90	230966	1.19
1001 – 2000	124	0.77	176657	0.91	114	0.68	163756	0.84
2001 – 3000	45	0.28	112098	0.58	46	0.27	115230	0.59
3001 – 4000	22	0.14	77905	0.40	17	0.10	60800	0.31
4001 – 5000	13	0.08	59217	0.30	9	0.05	40982	0.21
5001 – 10000	18	0.11	130611	0.67	16	0.10	114506	0.59
10001 - above	45	0.28	17771957	91.36	43	0.25	17781656	91.41
TOTAL	16116	100.00	19453229	100.00	16895	100.00	19453229	100.00

ASIAN HOTELS (NORTH) LIMITED

Category wise shareholding

CATEGORY	As on 31 st March, 2015		As on 31 st March, 2014	
	No. of shares held	% age of shareholding	No. of shares held	% age of shareholding
A. Promoters Shareholding				
- Indian	3253191	16.72	1403191	7.22
- Foreign	10847525	55.76	12697525	65.27
Total Promoters Shareholding	14100716	72.49	14100716	72.49
B. Public Shareholding				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	258392	1.33	622272	3.20
- FIIs	2919	0.02	6719	0.03
- NRIs	573097	2.95	594490	3.06
- Bodies Corporate (Domestic)	963212	4.95	814057	4.18
- Bodies Corporate (Foreign)	690802	3.55	690802	3.55
- Individuals (Indian Public)	2862579	14.71	2617167	13.45
- Clearing Members	1512	0.01	7006	0.04
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 Agreement.

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

19140099 shares (equivalent to 98.39%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March, 2015. 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 2006-07 has been transferred to IEPF.

Attention of the members is also drawn to the fact that unpaid/unclaimed dividends pertaining to the following years are due for transfer to the IEPF during calendar years 2015 and 2017. Once transferred, no claim shall lie against the Company or the Central Government in this regard.

Financial Year	Date by which claim should be lodged	Due date for transfer to IEPF
2007-08 Final dividend	21.09.2015	24.10.2015
2008-09 Final dividend	16.03.2017	18.04.2017

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.

ASIAN HOTELS (NORTH) LIMITED

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 has only one five-star deluxe hotel namely

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., should 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 of Clause 49 of the Listing Agreement:

The Company has so far not implemented any non-mandatory requirement of Clause 49 of the Listing Agreement. The Company endeavors to explore adoption and implementation of certain provisions contained therein.

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

Date: 12th August, 2015

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

Subject: Code of Conduct – Declaration under Clause 49 (II) (E)

Dear Sirs,

This is to certify that pursuant to Clause 49(II)(E) of the Listing Agreement, 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, 2015.

SHIV KUMAR JATIA
CHAIRMAN & MANAGING DIRECTOR
DIN 00006187

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE 'F' FORMING PART OF THE DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

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 Financial Year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For **MOHINDER PURI & COMPANY**
Chartered Accountants
Firm Registration No.: 000204N

Place: New Delhi
Dated: 12th August, 2015

VIKAS VIG
PARTNER
Membership No.: 016920

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 project 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/Corporate%20Social%20Responsibility%20Policy.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 last three financial years: **Rs. 38,43,86,212/-**

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

The Company during the financial year 2014-15, was required to spend Rs. 76,87,724/- towards CSR activities.

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: **Rs. 76,87,724/-**

(b) Amount unspent for the financial year: **Rs. 61,87,724/-**

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

1	2	3	4	5	6	7	8
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	Project ANANDA launched by Action for Autism, a Non-profit organization	Promoting health care including preventive health care and sanitation	District Gurgaon, Haryana	Rs. 59,45,440/-	Rs. 15,00,000/-	Rs. 15,00,000/-	Rs. 15,00,000/- spent through an implementing agency, Action for Autism

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 include 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; email: actionforautism@gmail.com website: www.autism-india.org

6. In case the Company has failed to spend 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:

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 under review has 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/-. The Company has committed this amount to be released in four installments. So far, the Company has paid Rs. 15,00,000/- only and the balance installments are spread over financial year 2015-16.

ASIAN HOTELS (NORTH) LIMITED

Accordingly, the non-committed unspent CSR contribution in Rs. 17,42,284/-. Due to loss in the year under review and liquidity constraints, the Company could not decided and spend the balance contribution.

7. Responsibility Statement by the Corporate Social Responsibility Committee:

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

For and on behalf of
Asian Hotels (North) Limited

Place: New Delhi
Dated: 12th August, 2015

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 31.03.2015

of

Asian Hotels (North) Limited

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L55101DL1980PLC011037
2.	Registration Date	13th November, 1980
3.	Name of the Company	Asian Hotels (North) Limited
4.	Category/Sub-category of the Company	Public company limited by shares
5.	Address of the Registered office & contact details	Bhikaiji Cama Place, M.G. Marg, New Delhi-110 066 Ph.: 011 66771225/26 Fax: 011 26791033
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent	Karvy Computershare Pvt. Ltd. (As on 31.03.2015) 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500 081 Ph.: 91 40 23420818 Fax: 91 40 23420814 E-mail Address: einward.ris@karvy.com Website: www.karvycomputershare.com Karvy Computershare Pvt. Ltd. (Current address) 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	99.22

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)
4	Newtown Hospitality Private Limited, India	U55101WB2010PTC156386	Subsidiary	100% equity held by the Company	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 01.04.2014]				No. of Shares held at the end of the year [As on 31.03.2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	818027	0	818027	4.21	2668027	0	2668027	13.72	9.51
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	585164	0	585164	3.01	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	1403191	0	1403191	7.21	3253191	0	3253191	16.73	9.51
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	12697525	0	12697525	65.27	10847525	0	10847525	55.76	-9.51
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):	12697525	0	12697525	65.27	10847525	0	10847525	55.76	-9.51
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	6395	6590	0.03	195	6395	6590	0.03	0
b) Banks / FI	590275	137	590412	3.03	226395	137	226532	1.16	-1.87
c) Central Govt	0	0	0	0		0	0	0	0
d) State Govt(s)	0	0	0	0		0	0	0	0
e) Venture Capital Funds	0	0	0	0		0	0	0	0
f) Insurance Companies	25005	265	25270	0.13	25005	265	25270	0.13	0
g) FIs	6334	385	6719	0.03	2534	385	2919	0.02	-0.01
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	621809	7182	628991	3.23	254129	7182	261311	1.34	-1.89
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	808791	5266	814057	4.18	958106	5106	963212	4.94	0.76
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	1120734	242170	1362904	7.01	1152945	229659	1382604	7.11	0.10

ASIAN HOTELS (NORTH) LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2014]				No. of Shares held at the end of the year [As on 31.03.2015]				% 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	1253880	0	1253880	6.45	1479592	0	1479592	7.61	1.16
c) Others (specify)									
Non Resident Indians	520539	73951	594490	3.06	501984	71113	573097	2.95	-0.11
Clearing Members	7006	0	7006	0.04	1512	0	1512	0.01	-0.03
Trusts	313	70	383	0	313	70	383	0	0
Sub-total (B)(2):-	4402065	321457	4723522	24.28	4785254	305948	5091202	26.17	1.89
Total Public Shareholding (B)=(B)(1)+(B)(2)	5023874	328639	5352513	27.51	5039383	313130	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)	19124590	328639	19453229	100.00	19140099	313130	19453229	100.00	0

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year As on 01.04.2014			Share holding at the end of the year As on 31.03.2015			% 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	7360645	37.84	100.00	5510645	28.33	100.00	- 9.51
2	Yans Enterprises (H.K.) Ltd, Mauritius	5336880	27.43	100.00	5336880	27.43	100.00	0
3	Shiv Kumar Jatia	818027	4.21	99.99	2668027	13.72	98.68	9.51
4	Asian Holdings Pvt. Ltd.	585164	3.01	99.98	585164	3.01	99.98	0

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	14100716	72.5		
	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	72.5		

Note: # There is no change in the overall Promoters' shareholding between 01.04.2014 & 31.03.2015. However, there were Inter-se transfers amongst Promoters which are tabulated below:

ASIAN HOTELS (NORTH) LIMITED

S. No	Name	Shareholding		Date of shareholding/ transaction	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Fineline Holdings Limited, Mauritius	7360645	37.84	01.04.2014				
				09.05.2014	9,25,000	Sale / Transfer (inter-se transfer)	6435645	33.08
				04.06.2014	3,60,000		6075645	31.23
				17.06.2014	5,65,000		5510645	28.33
		5510645	28.33	31.03.2015				
2	Shiv Kumar Jatia	818027	4.21	01.04.2014				
				09.05.2014	925000	Acquisition / Transfer (inter-se transfer)	17,43,027	8.96
				04.06.2014	360000		21,03,027	10.81
				17.06.2014	565000		26,68,027	13.72
		2668027	13.72	31.03.2015				

- 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 (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Co.				No. of shares	% of total shares of the Company
1	GEG Investments PTY Ltd.	690802	3.55	01.04.2014	0	No Change during the year	690802	3.55
2	Anita Rajgarhia	549472	2.82	01.04.2014	0	No Change during the year	549472	2.82
3	Axis Bank Ltd.	511855	2.63	01.04.2014				
				30.09.2014	41855	Sale/ Transfer	470000	2.42
				03.10.2014	200000		270000	1.39
				10.10.2014	39024		230976	1.19
				17.10.2014	19508		211468	1.09
				31.10.2014	4784		206684	1.06
				07.11.2014	6884		199800	1.03
				14.11.2014	4798		195002	1.00
				21.11.2014	47002		148000	0.76
4	Radheyshyam Saraf	410990	2.11	01.04.2014	0	No Change during the year	410990	2.11
5	Moonstar securities Trading and Finance Company Pvt. Ltd. (Ceased to be amongst top 10 effective 01.08.2014)	173502	0.89	01.04.2014				
				23.05.2014	56435	Sale/ Transfer	117067	0.60
				01.08.2014	45250		71817	0.37

ASIAN HOTELS (NORTH) LIMITED

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Co.				No. of shares	% of total shares of the Company
6	Yogesh Rasiklal Doshi	153170	0.79	01.04.2014				
				04.04.2014	4713	Acquisition	157883	0.81
				11.04.2014	17352	Sale/ Transfer	140531	0.72
				18.04.2014	81		140450	0.72
				25.04.2014	5614		134836	0.69
				02.05.2014	8511		126325	0.65
				09.05.2014	5222		121103	0.62
				16.05.2014	4381	Acquisition	125484	0.64
				23.05.2014	43850	Sale/ Transfer	81634	0.42
				30.05.2014	8834		72800	0.37
	(Ceased to be amongst top 10 effective 06.06.2014)			06.06.2014	11506		61294	0.31
				13.06.2014	4836	Acquisition	56458	0.29
				20.06.2014	1156		57614	0.30
				04.07.2014	1424		59038	0.30
				11.07.2014	6662	Sale/ Transfer	52376	0.27
				18.07.2014	665		51711	0.26
				25.07.2014	408		51303	0.26
				01.08.2014	2492	Acquisition	53795	0.28
				08.08.2014	1126		54921	0.28
				15.08.2014	5886		60807	0.31
				22.08.2014	1600		62407	0.32
				29.08.2014	1772		64179	0.32
				05.09.2014	10255	Sale/ Transfer	53924	0.28
				12.09.2014	2866	Acquisition	56790	0.29
	Again amongst top 10 shareholders			19.09.2014	21836		78626	0.40
	(Ceased to be amongst top 10)			30.09.2014	11957	Sale/ Transfer	66669	0.34
	Again amongst top 10 shareholders			03.10.2014	24591	Acquisition	91260	0.47
				10.10.2014	11279		102539	0.53
				24.10.2014	848		103387	0.53
				31.10.2014	1137	Sale/ Transfer	102250	0.52
				07.11.2014	542	Acquisition	102792	0.53
				14.11.2014	4082		106874	0.55
				21.11.2014	286		107160	0.55
				28.11.2014	11	Sale/ Transfer	107149	0.55
				05.12.2014	1000		106149	0.55
				12.12.2014	1000	Acquisition	107149	0.55
				19.12.2014	1606		108755	0.56
				31.12.2014	902		109657	0.56

ASIAN HOTELS (NORTH) LIMITED

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Co.				No. of shares	% of total shares of the Company
				09.01.2015	159	Sale/ Transfer	109498	0.56
				13.02.2015	239	Acquisition	109737	0.56
				27.02.2015	10010		119747	0.61
				06.03.2015	250	Acquisition	119997	0.62
				13.03.2015	3497		123494	0.63
				20.03.2015	929		124423	0.64
				31.03.2015	642		125065	0.64
7	Makalu Trading Ltd.	136604	0.70	01.04.2014	0	No Change during the year	136604	0.70
8	VIC Enterprises Pvt. Ltd.	109975	0.56	01.04.2014	0	No Change during the year	109975	0.56
9	Punjab National Bank (Ceased to be amongst top 10 effective 10.10.2014)	77011	0.39	01.04.2014	0	No Change during the year	77011	0.39
10	Surender Kumar Gupta	50683	0.26	01.04.2014				
				04.04.2014	3918	Acquisition	54601	0.28
				11.04.2014	648		55249	0.28
				18.04.2014	10000		65249	0.33
				25.04.2014	1354		66603	0.34
				09.05.2014	10000		76603	0.39
				23.05.2014	31397		108000	0.55
				30.05.2014	5000		113000	0.58
				06.06.2014	11394		124394	0.64
				13.06.2014	10606		135000	0.69
				05.09.2014	20000		115000	0.59
				09.01.2015	4193	Sale/ Transfer	110807	0.57
				06.03.2015	49		110758	0.57
				13.03.2015	144		110614	0.57
				27.03.2015	1384	Acquisition	111998	0.57
11	Ramesh Kumar Jatia*	75190 as on 06.06.2014	0.39				75190	0.39
12	Fourfold Tie Up Private Limited #	79185 as on 01.08.2014	0.41				79185	0.41
13	Rajasthan Global Securities Limited@ DPId/Client Id: IN 300724 / 10153429	73017 As on 03.10.2014	0.37					
				10.10.2014	95122	Acquisition	168139	0.86
				05.12.2014	3413	Acquisition	171552	0.88

ASIAN HOTELS (NORTH) LIMITED

S. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Co.				No. of shares	% of total shares of the Company
				06.03.2015	171000	Sale/ Transfer (Transfer from one Demat A/c to another Demat A/c)	552	0.00
14	Nitesh Arjun Thakkar (Amongst top 10 effective 16.01.2015)	81574 As on 16.01.2015	0.42					
				23.01.2015	3550	Acquisition	85124	0.44
				30.01.2015	506	Acquisition	85630	0.44
				13.02.2015	5346	Sale/ Transfer	80284	0.41
15	Rajasthan Global Securities Limited DP Id / Client Id. IN 303719 / 11022352 (Amongst top 10 effective 06.03.2015)	171000 As on 06.03.2015	0.88				171000	0.88

* Mr. Ramesh Jatia: Amongst top 10 effective 06.06.2014; ceased to be amongst top 10 effective 19.09.2014; rejoins top 10 on 30.09.2014 & finally ceases to be amongst top 10 effective 03.10.2014;

Fourfold Tie Up Private Limited: Amongst top 10 effective 01.08.2014; ceased to be amongst top 10 effective 16.01.2015;

@ Rajasthan Global Securities Limited: Amongst top 10 effective 10.10.2014; ceased to be amongst top 10 effective 06.03.2015;

v) Shareholding of Directors and Key Managerial Personnel

Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
	No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
Shiv Kumar Jatia	818027	4.21	01.04.2014				
			09.05.2014	925000	Acquisition/ Transfer (inter-se transfer among promoters)	1743027	8.96
			04.06.2014	360000	Acquisition/ Transfer (inter-se transfer among promoters)	2103027	10.81
			17.06.2014	565000	Acquisition/ Transfer (inter-se transfer among promoters)	2668027	13.72
	2668027	13.72	31.03.2015				
Dr. Lalit Bhasin (Director)	0	N.A.	N.A.	0	N.A.	0	N.A.

ASIAN HOTELS (NORTH) LIMITED

Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
	No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
Mr. Gautam Ramanlal Divan (Director)	1	0	01.04.2014	0	N.A.	1	0
	1	0	31.03.2015				
Mr. Dinesh Chandra Kothari (Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Priya Shankar Dasgupta (Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Dipendra Bharat Goenka (Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mr. Amritesh Jatia (Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
Mrs. Archana Jatia (Director)	0	N.A.	N.A.	0	N.A.	0	N.A.
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.

V. INDEBTEDNESS:

(Indebtedness of the Company including interest outstanding/accrued 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, 2014)				
i) Principal Amount	84838.72	5150.00	-	89988.72
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1082.55	93.94	-	1176.49
Total (i+ii+iii)	85921.27	5243.94	-	91165.21
Change in Indebtedness during the financial year				
* Addition	2768.85	-	-	2768.85
* Reduction	-	2217.65	-	2217.65
Net Change	2768.85	(2217.65)	-	551.20
Indebtedness at the end of the financial year (31st March, 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

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
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	10419685*
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	39600
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission - as % of profit - others, specify...	0
5	Others viz. HRA, Club membership fee and Group medical insurance premium	5755426
	Total (A)	16214711
	Ceiling as per the Act	13091404#

* Includes Rs. 1059685 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.

Subject to shareholders' approval by special resolution as proposed under Item 8 of the Notice convening the forthcoming annual general meeting.

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Dr. Lalit Bhasin	Mr. Dinesh Chandra Kothari	Mr. Gautam Ramanlal Divan	Mr. Priya Shankar Dasgupta	
	Fee for attending board and committee meetings	276000	180000	228000	84000	768000
	Commission	0	0	0	0	
	Others, please specify	0	0	0	0	
	Total (1)	276000	180000	228000	84000	768000
2	Other Non-Executive Directors	Mr. Dipendra Bharat Goenka	Mr. Amrithesh Jatia	Mrs. Archana Jatia		
	Fee for attending board/committee meetings	12000	120000	12000		144000
	Commission	0	0	0		
	Others, please specify	0	0	0		
	Total (2)	12000	120000	12000		144000
	Total Managerial Remuneration (B)=(1+2)					912000
	Overall Ceiling as per the Act*					0

*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	CS (Mr. Dinesh Kumar Jain)	CFO (Mr. Jyoti Subarwal)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3807720	11166060	14973780
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	39600	39600	79200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	– as % of profit	0	0	0
	– others, specify...	0	0	0
5	Others	827714	2361676	3189390
	Total	4675034	13567336	18242370

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences during the year ended 31st March, 2015.

ANNEXURE 'J' FORMING PART OF THE DIRECTORS' REPORT

NOMINATION, REMUNERATION AND EVALUATION POLICY

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 Clause 49 of the Listing Agreement.

“**Policy**” means this policy namely Nomination, Remuneration & 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. President – Finance & Operations, all 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 Clause 49 of the Listing Agreement.

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 Succession planning for Directors, KMP and SMP, and overseeing the transition process;
- 3.10 To carry out any other function as is mandated by the Board from time to time and / or required by the statute and listing agreement or any amendment or modification therein, from time to time;
- 3.11 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 a 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.

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, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 judgements 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 judgement, 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015, 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) 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, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

ASIAN HOTELS (NORTH) LIMITED

- 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 written representations received from all the directors *except one* as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors from whom representations has been received are disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
- f. 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:
 - a) 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';
 - b) 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;
 - c) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N
Chartered Accountants

VIKAS VIG

PARTNER

Membership Number: 016920

Place: New Delhi

Date: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF ASIAN HOTELS (NORTH) LIMITED, FOR THE YEAR ENDED 31ST MARCH, 2015
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- 1.a). The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.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.
- 2.a). The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 2.b). The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 2.c). The Company is maintaining proper records of inventory. 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.
3. As informed to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 excepting certain advance for expenses/trade receivables recoverable in the normal course of business.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control systems.
5. 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.
6. The Central Government has not prescribed for the Company the maintenance of cost records under sub-section (1) of Section 148 of the Act.
- 7.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.
- 7.b). 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.
- 7.c). 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)	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	2002-2007	401.10 Lakhs (including penalty of Rs. 250.00 Lakhs)	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Assessment Year 2011-12	5.53 Lakhs	Assessing Officer, rectification under section 154

- 7.d). According to the records of the Company examined by us and as per the information and explanation given to us, the amount which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules there under has been deposited within time by the Company.
8. The Company has incurred cash losses during the financial year covered by our audit, however, there were no cash losses in the immediately preceding financial year.
9. Based on our audit procedures and in our opinion and according to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any dues to a financial institution or bank, *except one instance of delay in repayment of foreign currency term loan, which was repaid before the end of financial year.* The Company does not have any debenture holders.
10. According to the information and explanations given by the management, the terms and conditions on which the Company has given guarantees/securities for loans taken by one of its subsidiary from banks or financial institutions are not prima facie prejudicial to the interest of the Company due to proximity of business relationship.
11. According to the explanations given by the management, term loans were applied for the purposes for which loans were raised.
12. 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.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N

Chartered Accountants

VIKAS VIG

PARTNER

Membership Number: 016920

Place: New Delhi

Date: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	Notes	As At 31 st March 2015 (Rs. In Lakhs)	As At 31 st March 2014 (Rs. In Lakhs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,945.32	1,945.32
Reserves and Surplus	4	73,337.97	78,326.49
		<u>75,283.29</u>	<u>80,271.81</u>
Non-Current Liabilities			
Long-Term Borrowings	5	74,117.72	74,099.17
Deferred Tax Liabilities (net)	6	2,580.65	2,360.77
Other Long-Term Liabilities	7	1,680.30	195.90
Long-Term Provisions	8	458.53	500.86
		<u>78,837.20</u>	<u>77,156.70</u>
Current Liabilities			
Short-Term Borrowings	9	6,860.92	9,144.99
Trade Payables	10	2,646.86	1,356.97
Other Current Liabilities	11	25,912.33	27,396.14
Short-Term Provisions	8	312.48	791.06
		<u>35,732.59</u>	<u>38,689.16</u>
TOTAL		<u>189,853.08</u>	<u>196,117.67</u>
ASSETS			
Non-Current Assets			
Fixed Assets	12		
Tangible Assets		127,081.08	118,580.75
Intangible Assets		—	—
Capital Work-in-Progress		951.00	6,710.63
Non-Current Investments	13	55,915.33	55,661.40
Long-Term Loans And Advances	14	1,758.50	8,298.98
Other Non-Current Assets	15	867.50	—
		<u>186,573.41</u>	<u>189,251.76</u>
Current Assets			
Inventories	16	458.87	610.95
Trade Receivables	17	985.81	996.74
Cash and Bank Balances	18	365.35	3,551.22
Short-Term Loans And Advances	14	1,461.07	1,686.15
Other Current Assets	15	8.57	20.85
		<u>3,279.67</u>	<u>6,865.91</u>
TOTAL		<u>189,853.08</u>	<u>196,117.67</u>

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

CONTINGENT LIABILITIES AND COMMITMENTS

27

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

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 016920

JYOTI SUBARWAL

President- Finance

& Operations
(Chief Financial Officer)

DR. LALIT BHASIN

Director

DIN: 00001607

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN: 02781300

Place: New Delhi

Dated: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	NOTES	For the year ended 31 st March 2015 (Rs. In Lakhs)	For the year ended 31 st March 2014 (Rs. In Lakhs)
I Revenue from Operations (gross)	19	23,281.82	22,808.22
Less: Excise Duty paid		(32.60)	(32.00)
Revenue From Operations (net)		23,249.22	22,776.22
II Other Income	20	3,095.32	6,513.50
III Total Revenue (I+II)		26,344.54	29,289.72
IV EXPENSES			
Consumption of Provisions, Beverages, Smokes & Others	21	2,943.93	2,936.78
Employee Benefits Expense	22	5,611.26	5,531.27
Other Expenses	23	10,288.80	8,043.94
Total Expenses		18,843.99	16,511.99
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		7,500.55	12,777.73
Depreciation & Amortisation Expenses	12	2,907.16	1,196.47
Less: Adjustment with retained earnings (Refer Note 12(c) of standalone financial statements)		(252.70)	—
Less: Transferred from Revaluation Reserve		—	(53.91)
Finance Costs	24	9,363.59	7,341.70
VI Profit/(Loss) before exceptional, prior period items and tax		(4,517.50)	4,293.47
Exceptional Items		—	—
VII Profit/(Loss) before prior period items and tax		(4,517.50)	4,293.47
Prior period items	25	15.90	8.02
VIII Profit/(Loss) before extraordinary item and tax		(4,533.40)	4,285.45
Extraordinary items		—	—
Provision for Impairment on value of investment		—	5,119.60
IX Profit/(Loss) before tax		(4,533.40)	(834.15)
X Tax Expense			
Current Tax		—	912.16
Earlier Years Tax (written back)		(10.01)	(32.40)
Minimum Alternate Tax (MAT) Credit Entitlement		(7.45)	(770.70)
Deferred Tax		301.87	1,423.11
Total Tax		284.41	1,532.17
XI Profit/(Loss) for the year (IX - X)		(4,817.81)	(2,366.32)
Earnings/(Loss) Per Equity Share (in Rupees)	26		
Basic		(24.77)	(12.16)
Diluted		(24.77)	(12.16)

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 attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 016920

JYOTI SUBARWAL

President- Finance

& Operations
(Chief Financial Officer)

DR. LALIT BHASIN

Director

DIN: 00001607

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN: 02781300

Place: New Delhi

Dated: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	For the year ended 31 st March 2015 (Rs. In Lakhs)	For the year ended 31 st march 2014 (Rs. In Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX BUT AFTER EXCEPTIONAL/EXTRA ORDINARY ITEMS	(4,533.40)	4,285.45
Adjustments for:		
Depreciation and amortisation	2,654.46	1,142.56
Interest and finance charges	8,516.29	4,935.37
Interest income	(235.23)	(998.26)
Income from Investment - dividends	—	(0.15)
(Gain)/Loss on fixed assets sold/ discarded (net)	(2,474.61)	(2,682.89)
Net unrealised (gain)/loss on foreign currency transaction and translation	600.15	(226.14)
Bad debts / advances written off	71.09	2.22
Provision for bad & doubtful debts/advances (written back)	27.98	(2.03)
Liability no longer required written back	(124.32)	(29.38)
Provision no longer required written back	(27.78)	(176.82)
Provision for gratuity and leave encashment/ (written back)	(38.13)	(162.25)
Prior period expenses/(income) (net)	15.90	8.02
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,452.40	6,095.70
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	177.30	(635.06)
(Increase)/decrease in inventories	152.08	23.33
Increase/(decrease) in trade payables, other liabilities and provisions	(1,409.24)	(4,392.17)
CASH GENERATED FROM OPERATIONS	3,372.54	1,091.80
Income taxes paid	(661.42)	(728.47)
Prior period (expenses)/income (net)	(15.90)	(8.02)
NET CASH FROM OPERATING ACTIVITIES	2,695.22	355.31
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets		
Additions during the year	(6,648.82)	(1,305.66)
Capital work-in-progress		
Deductions/(additions) during the year	3,516.47	(4,560.15)
Proceeds from sale of fixed assets	6,951.98	9,223.46
Proceeds from subsidiary of Foreign Currency Loan	—	45,669.77
Purchase of investments	—	(49,403.21)
Investments in bank deposits (with original maturity over 3 months)	(899.50)	(27.55)
Proceeds from bank deposits (with original maturity over 3 months)	212.50	162.31
Interest received	247.51	3,941.51
Dividend received	—	0.15
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	3,380.14	3,700.63

ASIAN HOTELS (NORTH) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	For the year ended 31 st March 2015 (Rs. In Lakhs)	For the year ended 31 st March 2014 (Rs. In Lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings		
Receipts	10,085.34	12,915.58
Payments	(8,106.33)	(9,118.18)
Proceeds from short-term borrowings		
Receipts	17,394.50	13,650.00
Payments	(19,678.57)	(8,955.17)
Redemption of Cumulative Redeemable Non-Convertible Preference Shares	—	(4,410.00)
Interest and finance charges	(8,545.51)	(4,748.62)
Dividend paid	(194.55)	(199.41)
Dividend tax paid	(33.06)	(33.89)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(9,078.18)	(899.69)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,002.82)	3,156.25
CASH AND CASH EQUIVALENTS - OPENING	3,312.53	156.28
CASH AND CASH EQUIVALENTS - CLOSING	309.71	3,312.53
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,002.82)	3,156.25

NOTES:

- 1 The above cash flow statement has been prepared under the "Indirect method" set out in the Accounting Standard (AS)- 3 on Cash Flow Statements.
- 2 Figures in bracket indicate cash outflow.
- 3 Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.
- 4 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 2015 (Rs. In Lakhs)	As At 31 st March 2014 (Rs. In Lakhs)
Balances with banks		
In current accounts	207.67	247.12
In deposits with original maturity of less than 3 months	73.90	3,004.35
Cheques, draft on hand	0.09	39.53
Cash on hand	28.05	21.53
	309.71	3,312.53

"As per our report attached"

For MOHINDER PURI & COMPANY
Chartered Accountants
Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG
Partner
Membership Number: 016920

JYOTI SUBARWAL
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Chairman & Managing Director
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Vice President (Corporate) &
Company Secretary
Membership Number: FCS 6224

AMRITESH JATIA
Director
DIN: 02781300

Place: New Delhi
Dated: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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 realisation 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/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 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 as per straight line method has been charged in the accounts based on expected useful life as specified under Schedule II of the Act.
- (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 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.

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 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 assets at the subsidiary 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.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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 2c) 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:

- (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.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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.

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.

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.

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 31ST MARCH, 2015

3 SHARE CAPITAL

AUTHORISED

40,000,000 Equity Shares of Rs. 10 each

30,000,000 Preference Shares of Rs. 10 each

ISSUED, SUBSCRIBED & PAID UP

19,453,229 Equity Shares of Rs. 10 each fully paid up

31st March 2015 31st March 2014
(Rs. In Lakhs) (Rs. In Lakhs)

4,000.00 4,000.00

3,000.00 3,000.00

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 2015, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2014: Re. 1.00).

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 2015		As at 31 st March 2014	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas entity)	5,510,645	28.33	7,360,645	37.84
Yans Enterprises (H.K.) Limited, (an overseas entity)	5,336,880	27.43	5,336,880	27.43
Mr. Shiv Kumar Jatia (Chairman & Managing Director)	2,668,027	13.72	818,027	4.21

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, 2015 and 31st March, 2014 is set out below:

Particulars	As at	
	31 st March 2015	31 st March 2014
Equity Shares of Rs. 10 each fully paid up		
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
1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs. 10 each fully paid up		
Number of shares in the beginning	—	4,900,000
Add: Shares issued during the year	—	—
Less: Shares redeemed during the year	—	(4,900,000)
Number of shares at the end	—	—

(d) Aggregate number and class of shares allotted for consideration other than cash / bought back during the period of five years immediately preceding 31st March, 2015:

Particulars	31 st March 2014	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010
Increase of Equity shares of Rs. 10 each*	—	—	—	—	11,401,782
Reduction of Equity shares of Rs. 10 each**	—	—	—	—	22,803,564

*Capitalisation of General Reserves to the tune of Rs. 1,140.18 Lakhs as per the terms of the Scheme of Arrangement and Demerger for the purposes of allocation of capital among the demerging entities.

**Represents allocation of capital among resulting entities as per the terms of the Scheme of Arrangement and Demerger.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

4 RESERVES & SURPLUS	Additions	Deductions	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(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	–	3,833.96	3,747.19
Tourism Development Utilised Reserve	–	–	5,332.02	5,332.02
Revaluation Reserve	–	(86.77)	19,248.48	19,335.25
Surplus in Statement of Profit and Loss	–	(4,988.52)	10,937.27	15,925.79
	86.77	(5,075.29)	73,337.97	78,326.49

(a) Deduction to Revaluation Reserve represents amount withdrawn on account of depreciation on the increased amount of assets due to revaluation 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.

(b) Surplus in Statement of Profit and Loss

Opening balance	15,925.79	18,519.70
Add: Profit /(Loss) for the year	(4,817.81)	(2,366.32)
Less: Depreciation adjustment (Refer Note 12(c) to the standalone financial statements)	(170.71)	–
Amount available for appropriation	10,937.27	16,153.38
Less: Appropriations		
Proposed dividend on equity shares	–	194.53
Dividend distribution tax	–	33.06
Amount transferred to general reserve	–	–
Total	–	227.59
Closing balance	10,937.27	15,925.79

5 LONG-TERM BORROWINGS	Non-Current		Current	
	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
SECURED				
TERM LOANS				
FROM BANKS				
DBS Bank Limited				
-External commercial borrowings				
USD 506.77 Lakhs & SGD 236.88 Lakhs	34,167.14	41,735.76	8,359.97	4,336.98
(Previous year USD 578.94 Lakhs & SGD 236.88 Lakhs)				
Axis Bank Limited-Rupee loan	19,775.00	19,900.00	–	1,600.00
IDBI Bank Limited-Rupee loan	5,700.00	4,500.00	300.00	–
ING Vysya Bank Limited-Rupee loan	5,719.74	4,485.58	647.23	361.15
Yes Bank Limited-Rupee loan	5,000.00	2,920.00	–	80.00
ICICI Bank Limited-Rupee loan	35.52	174.05	138.53	123.66
For business of generation of electricity				
(Refer Note 28 to the standalone financial statements on Segment Reporting)				
ING Vysya Bank Limited-Rupee loan	146.89	343.14	96.25	196.25

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

5 LONG-TERM BORROWINGS ...contd.

	Non-Current		Current	
	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
For acquisition of vehicles				
Axis Bank Limited- Rupee loan	3.33	22.95	19.62	23.78
FROM FINANCIAL INSTITUTION				
IFCI Limited- Rupee loan	3,500.00	—	—	—
For acquisition of vehicles				
Kotak Mahindra Prime Limited - Rupee loan	70.10	17.69	28.90	22.74
	74,117.72	74,099.17	9,590.50	6,744.56
Amount disclosed under the head "Other Current Liabilities" (Note 11 to the standalone financial statements)			(9,590.50)	(6,744.56)
	74,117.72	74,099.17	—	—

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

- DBS Bank Limited - External commercial borrowings (carried interest from 4.10% to 5.95% per annum) are secured / to be secured by exclusive first charge of land & building of Hotel Hyatt Regency Delhi; 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 236.88 Lakhs is payable in 13 quarterly instalments up to June 2018; (ii). USD 416.05 Lakhs is payable in 8 semi-annual instalments up to October 2018 and; (iii). USD 90.72 Lakhs is payable in 10 semi-annual instalments up to October 2019.
- Axis Bank Limited - Rupee loan (carried interest from @ 12.50% to 13.00% per annum) is secured by first charge on six floors (Service 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. Repayable in unequal quarterly instalments up to March 2023 commenced from December 2014.
- IDBI Bank Limited - Rupee loan (carried interest @ 13.00% per annum) is secured by first pari-passu charge on land and building of existing Hotel block (Hyatt Regency Delhi) along with DBS Bank Limited (excluding new tower which is mortgaged exclusively to Axis Bank and ING Vysya Bank Limited); unconditional and irrevocable personal guarantee of Chairman & Managing Director. Repayable in 18 unequal quarterly instalments commencing from October 01, 2015.
- ING Vysya Bank Limited - Rupee loan Rs. 4,485.55 Lakhs (carried interest from @ 12.10% to 12.55% per annum) is secured by exclusive mortgage charge on two floors (Service Apartments) in the new tower/building in 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. Repayable in 84 monthly instalments up to September 2020, repayment started from October 2013. ING Vysya Bank - Rupee loan Rs. 1,881.42 Lakhs (carried interest @ 12.35% per annum) is secured by exclusive mortgage charge on new tower ground, lobby level floor, 3000 sq. ft. of sixth floor, first pari-passu charge on the moveable fixed assets in the existing Hyatt Regency Delhi and personal guarantee of Chairman and Managing Director, repayable in 84 monthly instalments, up to June 2021.
- Yes Bank Limited - Rupee loan (carried interest @ 12.50% per annum) is 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 Mr. Amrithesh Jatia, Director; Repayable in 32 quarterly instalments by January 2024 starting from April 2016.
- ICICI Bank - Rupee loan (carried interest @ 11.41% per annum) is secured against hypothecation of 16 vehicles. Balance repayable in monthly instalments up to June 2016.
- ING Vysya Bank - Rupee loan for business of generation of electricity (carried interest from @ 12.10% to 12.55% 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 5 equal instalment up to October 2016.
- Axis Bank - Rupee loan for acquisition of vehicles (carried interest @ 9.32% to 11.12% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly instalments up to July 2016.
- IFCI Ltd - Rupee loan (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 47695 sq. ft. (excluding 3000 sq. ft. super built-up on sixth

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

5. LONG-TERM BORROWINGS ...contd.

floor, 5335 sq. ft. super built-up area on fifth floor, 985 sq. ft. super built-up area on third floor and 985 sq. ft. super built-up area on second floor) in the Serviced Apartment Tower, first charge and/or hypothecation of freehold land, plant & machinery situated at Sangola in Maharashtra and personal guarantee of Chairman & Managing Director. Repayable in 18 equal instalment commencing from 15th October, 2016.

- (j) 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 instalments up to December 2018.
- (k) There is no continuing default in repayment of loans and interest as on 31st March, 2015. However, during the year there was a delay in repayment of foreign currency term loan and certain delays in interest payments.
- (l) The details of repayment of long-term borrowings as at 31st March, 2015 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	9,561.60	55,519.33	15,028.29	80,109.22
From financial institution	28.90	2,792.32	777.78	3,599.00
Total	9,590.50	58,311.65	15,806.07	83,708.22

6 DEFERRED TAX LIABILITIES (NET)

	Increase / (Decrease) (Rs. In Lakhs)	Transitional Difference* (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Deferred tax liabilities/(assets) on account of timing differences:				
Depreciation	689.69	(81.99)	3,893.10	3,285.40
Provision for employees benefits	36.05	—	(230.81)	(266.86)
Other statutory dues	(423.87)	—	(1,081.64)	(657.77)
	301.87	(81.99)	2,580.65	2,360.77

*Refer Note 12(c) to the standalone financial statements.

7 OTHER LONG-TERM LIABILITIES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Security deposits received	1,680.30	195.90
	1,680.30	195.90

The above includes Rs. 177.33 Lakhs (Previous Year Rs. 195.90 Lakhs) received as refundable interest free security deposits against Leave & License Agreements relating to the shops in Hotel Hyatt Regency and Rs. 1,500 Lakhs (Previous Year Nil) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

8 PROVISIONS

	LONG-TERM		SHORT-TERM	
	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Provision for employee benefits				
Gratuity	369.02	393.00	267.03	254.49
Leave encashment	89.51	107.86	21.41	29.75
Provision for taxation (net of Advance Income Tax)	—	—	24.04	279.23
Proposed dividend on equity shares	—	—	—	194.53
Corporate dividend tax	—	—	—	33.06
	458.53	500.86	312.48	791.06

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

9 SHORT-TERM BORROWINGS

31st March 2015 31st March 2014
(Rs. In Lakhs) (Rs. In Lakhs)

SECURED

Loans repayable on demand from banks

Overdraft facilities

- DBS Bank Limited	1,872.29	2,371.57
- Yes Bank Limited	445.69	1,531.60
- ING Vysya Bank Limited	38.62	91.82
- IDBI Bank Limited	1,489.32	—
	3,845.92	3,994.99

UNSECURED

Others

-Inter-corporate Loans (carries interest @ 12% to 20% per annum)	3,015.00	5,150.00
	3,015.00	5,150.00
	6,860.92	9,144.99

- (a) DBS Bank Limited - Overdraft facilities (carries interest @ 12.00% per annum) and is secured against hypothecation of Inventories of Hotel Hyatt Regency Delhi.
- (b) Yes Bank Limited - Over draft facilities (carried interest @ 11.50% per annum) is secured by pledge on shareholding of Chairman & Managing Director, his associates, Asian Holdings Private Limited and other group companies (total 7.2%) in the Company; Exclusive charge by way of equitable mortgage of properties owned by two other group companies of Chairman & Managing Director; pledge on 30% shareholding of Chairman & Managing Director in RSJ Developers Private Limited; unconditional and irrevocable personal guarantee of Chairman & Managing Director and unconditional, irrevocable corporate guarantee of WEL Intertrade Private Limited and unconditional and irrevocable personal guarantee of Mr. Amrithesh Jatia, Director.
- (c) ING Vysya Bank Limited - Overdraft facilities (carried interest @ 12.10% per annum) is secured against hypothecation of stocks and book debts of Hotel Hyatt Regency Delhi.
- (d) IDBI Bank Limited - Overdraft facilities (carried interest @ 12.75% per annum) is secured against first pari-passu charge on Hyatt Regency Delhi (excluding Serviced Apartment Tower).
- (e) Inter-corporate loans amounting to Rs. 2,685.00 Lakhs are subject to confirmation/reconciliation with respective parties as at 31st March, 2015.
- (f) There is no continuing default in repayment of loans and interest as on 31st March 2015.

10 TRADE PAYABLES

31st March 2015 31st March 2014
(Rs. In Lakhs) (Rs. In Lakhs)

Trade payables

-For Goods and Services*	2,646.86	1,356.97
	2,646.86	1,356.97

* includes due to Micro, Small & Medium Enterprises

11 OTHER CURRENT LIABILITIES

31st March 2015 31st March 2014
(Rs. In Lakhs) (Rs. In Lakhs)

Current maturities of long-term borrowings (Refer Note 5 to the standalone financial statements)	9,590.50	6,744.56
Interest accrued but not due on borrowings	1,147.27	1,176.49
Unpaid/unclaimed dividends	23.50	26.07
Other Payables		
Advance from customers	839.77	8,319.35
Payables for capital goods	603.50	565.83
Security deposits (interest free)	6,399.73	4,501.19
Statutory liabilities	5,478.97	3,569.23
Others	1,829.09	2,493.42
	25,912.33	27,396.14

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11. OTHER CURRENT LIABILITIES ...contd.

- (a) Advances from customers includes Rs. 275.00 Lakhs (Previous Year Rs. 7,707.97 Lakhs) received from prospective buyers against agreements for sale/ fit outs of certain constituents forming part of the Serviced Apartment Tower. These advances are subject to agreements/ memorandum of understandings and confirmations/ reconciliations.
- (b) Security deposits (interest free) includes Rs. 1,300.00 Lakhs (Previous Year Rs. 1,400.00 Lakhs) received from a company in which certain relatives of directors of the Company are interested, Rs. 1,330.00 Lakhs (Previous Year Nil) received from Newtown Hospitality Pvt. Ltd. (a subsidiary company) and Rs. 3,690.00 Lakhs (Previous Year Rs. 3,020.00 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 and Rs. 3,500 Lakhs are subject to confirmations/ reconciliations.
- (c) Statutory liabilities includes provision for difference of property tax along with interest thereon amounting to Rs. 5,159.27 Lakhs (Previous Year Rs. 3,121.80 Lakhs) {Refer Note 27A(d) to the standalone financial statements}.

12 FIXED ASSETS

(Rs. In Lakhs)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01.04.2014	Additions during the year	Deductions/ Ad- justments during the year	As at 31.03.2015	Upto 31.03.2014	For the year	Deductions/ Ad- justments during the year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible assets										
Land (freehold)	80,074.28	6,324.18	—	86,398.46	—	—	—	—	86,398.46	80,074.28
Buildings	26,976.89	7,308.59	4,143.71	30,141.77	2,054.80	468.69	—	2,523.49	27,618.28	24,922.09
Plant and Equipments	13,708.62	1,845.75	236.55	15,317.82	4,361.59	1,200.74	21.87	5,540.46	9,777.36	9,347.03
Furniture, Fixtures and Furnishing	6,923.71	243.67	116.36	7,051.02	3,451.26	939.82	13.29	4,377.79	2,673.23	3,472.45
Office Equipments	62.16	14.38	—	76.54	14.39	35.31	—	49.70	26.84	47.77
Computers	652.82	52.61	139.05	566.38	557.48	54.67	132.10	480.05	86.33	95.34
Vehicles	1,034.69	95.68	85.02	1,045.35	412.90	207.93	76.06	544.77	500.58	621.79
Total	129,433.17	15,884.86	4,720.69	140,597.34	10,852.42	2,907.16	243.32	13,516.26	127,081.08	118,580.75
Intangible assets										
Total	—	—	—	—	—	—	—	—	—	—
Grand Total	129,433.17	15,884.86	4,720.69	140,597.34	10,852.42	2,907.16	243.32	13,516.26	127,081.08	118,580.75
Previous Year	108,600.95	27,974.42	7,142.20	129,433.17	10,257.58	1,196.47	601.63	10,852.42		
Capital Work-in-progress (refer note 12A below)									951.00	6,710.63
									128,032.08	125,291.38

- (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. 53.91 Lakhs), for the current year, on account of depreciation. Resultantly, an equivalent amount of Rs. 86.77 Lakhs (Previous Year Rs. 53.91 Lakhs) has been withdrawn from the Revaluation Reserve and credited to the General Reserve (Previous Year credited to the Statement of Profit and Loss). The increase in current year charge is attributable to the reassessment done due to the facts as mentioned in Note 12 (c) below.
- (c) The management reassessed the remaining useful life of the Company's fixed assets with effect from 1st April, 2014, as prescribed in Schedule II to the Act. Due to the said reassessment, the depreciation for the year ended 31st March, 2015 increased by Rs. 846.64 Lakhs. Further, based on transitional provision as provided in Note 7(b) of the said Schedule II, an amount of Rs. 252.70 Lakhs is also included in depreciation for the year ended 31st March, 2015 from which an amount of Rs. 170.71 Lakhs (net of deferred tax Rs. 81.99 Lakhs) has been adjusted against the opening balance of retained earnings, representing the carrying amount of the assets whose remaining useful life is nil.
- (d) Additions during the year to Land (freehold)-Refer Note 14(a) to the standalone financial statements.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

12. FIXED ASSETS ...contd.

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
(e) Building includes leasehold improvement:		
Gross value	32.42	32.42
Accumulated depreciation	31.85	30.82
Depreciation charge for the year	1.03	4.91
Net value	0.57	1.60
(f) Vehicles includes those financed:		
Gross value	694.10	547.93
Net value	406.94	339.36
(g) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity (Refer Note 28 to the standalone financial statements 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	1,195.22	1,268.71
(h) Delhi Development Authority vide Notification No. 2034E dated 12.08.2008 has, subject to fulfillment of certain conditions, granted an additional FSI, which in case of the Company, works out to approx. 15000 square meters. The Company has utilized most of the aforesaid additional FSI up till 31 st March, 2015 and capitalised.		
(i) During the year, the sale of further two floors in Serviced Apartment Tower/Building has been recognized and registered sale deed in respect of the sale of these areas has also been executed. Further, the long-term lease of certain further areas in Serviced Apartment Tower/Building has been executed and registration of said deeds in respect of these areas has also been executed. The same has been treated as sale of fixed assets and the cost of said area being de-capitalized during the current year. The gain on said sales/long-term leases has been included in "Other Income".		

12A. Capital Work-in-progress consists of:

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Balance at the beginning of the year	6,710.63	26,968.77
Building under construction	645.57	474.74
Technical and consultancy fees	143.93	83.55
Kitchen Equipments	385.51	8.13
Plant and Machinery under installation	60.59	—
Mock up room cost	—	1.45
Plumbing and sanitation	17.96	37.98
Air conditioning under installation	141.15	148.72
Generators under installation	—	9.03
Elevators under installation and others	—	102.61
Furniture and Fixtures	977.48	131.51
Fire fighting equipments	113.75	48.95
Office, Housekeeping and other equipments	26.33	1.72
Music, TV and Cinematograph	45.06	4.18
Electrification	168.25	72.15
Expenditure during construction {Refer Note (a) below}	750.83	5,285.90
	10,187.04	33,379.39
Less: Capitalised during the year	(9,236.04)	(26,668.76)
Balance at the end of the year*	951.00	6,710.63

* Balance as at 31st March, 2015, represents certain area of New Ball Room (a part of Expansion Project of existing facilities of Hotel Hyatt Regency Delhi) of which refurbishing is still going.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (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

	For the year ended 31 st March 2015 (Rs. In Lakhs)	For the year ended 31 st March 2014 (Rs. In Lakhs)
Employee benefits expenses	133.00	196.04
Legal and professional charges (Including loan processing and arranging fees)	27.83	87.71
Rates and taxes	—	0.19
Insurance cost	1.08	9.60
Travelling expenses	32.61	38.17
Interest expenses	279.88	3,142.56
Net loss /(gain) on foreign currency transaction and translation	31.40	1,692.83
Miscellaneous	245.03	118.80
	750.83	5,285.90

- (b) Interest expenses and net gain/(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 Company had adopted the said option 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.

13 NON-CURRENT INVESTMENTS

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Trade Investments (valued at cost)		
Unquoted		
- in Foreign wholly owned Subsidiary		
94,295,582 Ordinary Shares of no par value of Fineline Hospitality & Consultancy Pte. Ltd., Mauritius	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#	6,380.31	6,126.38
- in Indian wholly owned Subsidiary		
10,000 Equity Shares of Rs. 10 each fully paid up of Newtown Hospitality Private Limited {including one share held through Chairman & Managing Director as nominee}	1.00	1.00
	55,915.33	55,661.40
Aggregate amount of unquoted investments	55,915.33	55,661.40
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.

- (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, 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.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

14 LOANS AND ADVANCES (Unsecured, considered good, unless stated otherwise)	NON-CURRENT		CURRENT	
	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
Capital advances				
Considered Good	375.54	7,320.53	—	—
Considered doubtful	21.18	—	—	—
Security Deposits	85.97	89.81	18.05	20.27
Other loans and advances				
Advances recoverable in cash or in kind or for value to be received*	21.16	15.75	1,011.74	1,324.84
Prepaid expenses	12.71	33.46	317.21	289.99
Advance Income Tax (net of provision for taxation)	484.97	68.73	—	—
Minimum Alternate Tax (MAT) credit available	778.15	770.70	—	—
Service Tax recoverable	—	—	80.54	0.11
Value Added Tax (VAT) recoverable	—	—	33.53	50.94
	1,779.68	8,298.98	1,461.07	1,686.15
Less: Provision for doubtful capital advances	(21.18)	—	—	—
	1,758.50	8,298.98	1,461.07	1,686.15
*includes loans to employees	21.16	15.75	4.40	10.81

(a) In response to a financial bid made to West Bengal Housing Infrastructure Development Corporation Limited (WBHIDCO), the Company had been offered an allotment of a plot of land measuring six acres (approx.) on freehold basis for setting up of a five star hotel and allied facilities (KOLKATA PROJECT). Capital advances as on 31st March, 2014 included Rs. 5,942.57 Lakhs paid against said allotment, it also included Rs. 12.98 Lakhs for registration of said land in the name of the Company. During the current financial year the land has been registered in the name of the Company and accordingly capitalised. Further, the said land has been mortgaged for short-term loan facility taken by Newtown Hospitality Private Limited, a wholly owned subsidiary.

(b) Advances recoverable in cash or in kind or for value to be received includes Rs. 800.00 Lakhs (Previous Year Rs. 1,000.00 Lakhs) overdue receivable from a company. In efforts for recoverability of the balance amount, post-dated cheques without any interest have been received by the Company.

15 OTHER ASSETS (Unsecured, considered good)	NON-CURRENT		CURRENT	
	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest accrued on fixed deposits with banks	—	—	8.57	20.85
Non-current bank balances (Refer Note 18 to the standalone financial statements)	867.50	—	—	—
	867.50	—	8.57	20.85

16 INVENTORIES (valued at lower of cost or net realizable value)	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Wines and liquor	162.85	304.92
Provisions, other beverages and smokes	53.72	68.44
Crockery, cutlery, silverware, linen etc.	142.36	137.25
General stores and spares	99.94	100.34
	458.87	610.95

- As per inventory taken and valued by the Management

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

17 TRADE RECEIVABLES	31st March 2015	31st March 2014
(Unsecured)	(Rs. In Lakhs)	(Rs. In Lakhs)
Outstanding for a period exceeding six months		
Considered good	34.57	135.74
Considered doubtful	0.69	—
Other Debts		
Considered good	951.24	861.00
Considered doubtful	6.11	—
	992.61	996.74
Less: Provision for doubtful debts	(6.80)	—
	985.81	996.74
Trade receivables includes:		
-due from Energy Infrastructure (I) Limited, a company in which director of the Company is director	0.28	1.23
-due from M/s. Bhasin & Co., a firm in which director of the Company is proprietor	2.07	0.43
-due from an officer of the Company	0.02	—
-debts related to generation of electricity business	15.10	23.57
(Refer Note 28 to the standalone financial statements on Segment Reporting)		
18 CASH AND BANK BALANCES	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	207.67	247.12
In Deposits with original maturity of less than 3 months*	73.90	3,004.35
Cheque, draft on hand	0.09	39.53
Cash on hand	28.05	21.53
	309.71	3,312.53
Other Bank Balances		
Balances with banks		
In Unpaid Dividend Accounts #	23.59	26.14
In Deposits with original maturity of more than 3 months but less than 12 months**	32.05	212.55
In Deposits with original maturity of more than 12 months***	867.50	—
	923.14	238.69
Amount disclosed under Other Assets (Non-Current) {Note 15 to the standalone financial statements}	(867.50)	—
	365.35	3,551.22
# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.09	0.07
* under lien against guarantee given for loan taken by Leading Hotels Limited, a subsidiary	—	3,000.00
** includes as margin money deposit against borrowings from banks	64.00	—
*** includes as margin money deposit against borrowings from banks	32.00	212.50
*** includes as margin money deposit against borrowings from banks	867.50	—

ASIAN HOTELS (NORTH) LIMITED

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19 REVENUE FROM OPERATIONS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Room income	10,315.80	10,384.92
Wines and liquor	2,153.43	1,958.41
Food, other beverages, smokes and banquets	7,545.39	7,106.51
Communications	53.29	72.78
Others*	3,213.91	3,285.60
	23,281.82	22,808.22
*Includes related to generation of electricity business (Refer Note 28 to the standalone financial statements on Segment Reporting)	182.24	242.33
20 OTHER INCOME	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest Received/Receivable		
From banks	149.75	210.04
From subsidiary	—	783.40
From others	85.48	4.82
Dividend received on non-trade investments	—	0.15
Excess provisions no longer required written back	27.78	176.82
Credit balances written back	124.32	29.38
Provision for doubtful debts/advances written back	—	2.03
Net gain on sale of fixed assets {Refer Note 12(i) to the standalone financial statements}	2,474.61	2,682.89
Net gain on foreign currency transaction and translation (other than considered as finance cost)	226.85	2,616.34
Miscellaneous income	6.53	7.63
	3,095.32	6,513.50
21 CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
WINES AND LIQUOR		
Opening Stock	304.92	256.68
Add : Purchases	455.78	658.41
	760.70	915.09
Closing Stock	(162.85)	(304.92)
	597.85	610.17
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	68.44	92.57
Add : Purchases	2,331.36	2,302.48
	2,399.80	2,395.05
Closing Stock	(53.72)	(68.44)
	2,346.08	2,326.61
	2,943.93	2,936.78
Percentage of total consumption between:		
Indigenous 72.73% (Previous Year 77.38%)	2,141.12	2,272.47
Imported 27.27% (Previous Year 22.62%)	802.81	664.31

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

22 EMPLOYEE BENEFITS EXPENSES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Salaries and wages	4,092.85	4,065.61
Contribution to provident and other funds	210.49	221.61
Contract labour and services	754.77	706.37
Staff welfare expense *	491.36	478.72
Recruitment and training	61.79	58.96
	5,611.26	5,531.27
* includes :		
Cost of provisions consumed in staff cafeteria	199.61	250.29
Realisation on sale of food coupons to staff	(37.80)	(27.24)

23 OTHER EXPENSES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	708.54	659.98
Operating equipment and supplies written off	328.40	248.53
Power, fuel and light (net)	1,846.90	1,621.80
Repairs, maintenance and refurbishing *	857.66	901.69
Rent	34.75	1.37
Rates and taxes**	2,543.03	864.84
Insurance	116.44	105.55
Data processing charges	130.11	121.99
Directors' sitting fee	9.12	31.02
Legal and professional charges	430.66	314.10
Payment to the auditors***	39.89	40.16
Artist fee	9.81	14.53
Stationery and printing	74.11	97.13
Travelling and conveyance ****	316.09	357.15
Guest transportation	291.14	301.60
Communication (including telephones for guests)	156.86	162.40
Technical services	883.68	878.45
Advertisement and publicity	455.15	421.14
Commission and brokerage	828.25	803.44
Charity and donations	0.14	8.73
Corporate Social Responsibility (CSR) expenses (Refer Note 33 to the standalone financial statements)	59.45	—
Bad debts / advances written off	71.09	2.22
Provision for doubtful debts / advances	27.98	—
Miscellaneous	69.55	86.12
	10,288.80	8,043.94
* includes:		
Repairs to buildings	175.26	187.37
Repairs to machinery	529.20	590.17

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

23 OTHER EXPENSES ...contd.

31st March 2015 **31st March 2014**
(Rs. In Lakhs) (Rs. In Lakhs)

** includes Rs. 138.52 Lakhs (Previous Year Nil) including interest of Rs. 44.30 Lakhs (Previous Year Nil) for payment of service tax liability pertaining to earlier years based on service tax audit conducted by Service Tax Department. Further, regarding provision of property tax for earlier years please refer Note 27A(d) to the standalone financial statements.

***Payments to the auditors for (including service tax)

- statutory audit	28.09	28.09
- tax audit fee	5.62	5.62
- limited review and certification	5.06	5.06
- other services	1.12	1.39
	39.89	40.16

**** Expenses relating to Directors have been reviewed by the Audit Committee of Board of Directors and approved as a measure of good corporate governance.

24 FINANCE COSTS

31st March 2015 **31st March 2014**
(Rs. In Lakhs) (Rs. In Lakhs)

Interest expenses	8,297.86	4,174.49
Other borrowing costs (including bank charges)	218.43	760.88
Applicable net loss/(gain) on foreign currency transactions and translation {Refer Note 2(k) to the standalone financial statements on borrowing costs}	847.30	2,406.33
	9,363.59	7,341.70

25 PRIOR PERIOD ITEMS

31st March 2015 **31st March 2014**
(Rs. In Lakhs) (Rs. In Lakhs)

Staff welfare expenses	-	2.51
Repair, maintenance and refurbishing	4.83	1.83
Rates and taxes	-	2.96
Insurance	5.41	0.12
Data processing charges	0.97	-
Legal and professional charges	2.79	0.07
Miscellaneous	2.93	0.63
Other income	(1.03)	(0.10)
	15.90	8.02

26 EARNINGS PER EQUITY SHARE

31st March 2015 **31st March 2014**
(Rs. In Lakhs) (Rs. In Lakhs)

Profit/(Loss) for the year	(4,817.81)	(2,366.32)
Less : Appropriations	-	-
Profit/(Loss) available for equity shareholders	(4,817.81)	(2,366.32)
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)	(24.77)	(12.16)

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

27 CONTINGENT LIABILITIES AND COMMITMENTS

A CONTINGENT LIABILITIES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
(a) Claims against the Company not acknowledged as debts*	20.00	20.00
* pertains to cases filed by certain employees of the Company		
(b) Income tax demand/ liabilities not provided for*	85.79	74.48
* includes income tax demand of Rs. 5.53 Lakhs (Previous Year Rs. 21.13 Lakhs)		
* includes contingent liability of Rs. 80.26 Lakhs (Previous Year Rs. 53.35 Lakhs) on account of taxes as are required to be withheld by the Company, as per the latest order of Assessing Officer from the payment to a foreign service provider. However, during the earlier years the Company was getting Nil withholding tax order for the same. The Company has gone into appeal with appropriate authorities against this order. As per the agreement with the foreign service provider the payments to be made to him shall be without any deduction of taxes, however, if there are any withholding taxes the same are to be borne by the Company. Confident of getting a Nil withholding tax order, the Company has not provided for the amount.		
(c) Service tax demand not provided for*	401.10	401.10
* includes demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs (Previous Year Rs. 401.10 Lakhs) including 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, New Delhi on 11 th March, 2014. The Company is contesting to have already paid the determined balance liability without penalty before the issuance of show cause notice by Service Tax Authorities. Hence, the Company may not be liable to pay any demand and penalty. Further, the Company is examining in detail certain transactions for applicability of service tax and will recognise and deposit the same if applicable on completion of such determination.		
(d) The Federation of Hotels & Restaurants Association of India (FHRAI) and the Company had filed a writ petition in the High Court of Delhi against the "Unit Area Scheme", the new method for payment of property tax introduced by Municipal Corporation of Delhi (MCD) w.e.f. 1 st April, 2004. In terms of the interim order dated 10 th September, 2004, passed by the Hon'ble High Court of Delhi in the said matter, the Company has, so far, been paying a sum of Rs. 54.52 Lakhs per annum based on the Rateable Value Method, existing prior to the new method. In a subsequent development, vide order dated 23 rd May, 2014, the Hon'ble High Court directed the petitioners to pay the property tax based on user factor of 4 and the rate of tax at 10% of the annual value, including all arrears, till the final adjudication of the matter. However, as a matter of abundant caution, the Company has provided for the property tax under the "Unit Area Scheme" based on the user factor of 10 and the rate of tax at 10% of the annual value up to Financial Year 2009-10 and 20% for the subsequent financial years. Such provision appears as expense under Rates and Taxes (Other Expenses) including for earlier years amounting to Rs. 1,417.12 Lakhs.		
(e) Relating to an accident in the hotel Hyatt Regency Delhi premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, the Company has been made one of the respondents. Any consequence on the outcome of the case can not be ascertained.		

(B) COMMITMENTS

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	713.89	1,752.80
(b) Lease commitments		
(i) Future commitments in respect of assets acquired under Finance Schemes:		
Minimum installments payable within one year	58.63	53.02
later than one year but not later than five years	86.27	44.10
Present value of minimum instalments payable within one year	48.52	46.52

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
later than one year but not later than five years	73.43	40.64
(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	78.23	48.60
Later than one year and not later than five years	67.01	73.51
(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	146.62	95.97
Later than one year and not later than five years	328.82	263.55
More than five years	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

(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 (w.e.f. 26th February, 2014)

(d) Related Parties

- Subsidiaries	Fineline Hospitality & Consultancy Pte Limited Lexon Hotel Ventures Limited Leading Hotels Limited Newtown Hospitality Private Limited (w.e.f. 26 th February, 2014)
- Key Management Personnel	Mr. Shiv Kumar Jatia Chairman & Managing Director
- Relative of Key Management Personnel	Mr. Amrithesh Jatia Director and son of Mr. Shiv Kumar Jatia Mrs. Archana Jatia Director and wife of Mr. Shiv Kumar Jatia Mr. Ramesh Jatia Brother of Mr. Shiv Kumar Jatia Mr. Raj Kumar Jatia Brother of Mr. Shiv Kumar Jatia
- Entities controlled by Directors or their relatives (with whom transactions entered into during current year or previous year)	Ascent Hotels Private Limited M/s Bhasin & Co. Binaguri Tea Company Private Limited Energy Infrastructure (I) Limited Magus Estates & Hotels Limited

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(e) 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 2015	31 st March 2014	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
Room, Food, Beverages and other services	15.00	7.96	–	–	40.67	1.90	55.67	9.86
Remuneration	–	–	153.68	149.78	–	–	153.68	149.78
Professional Charges	–	–	–	–	4.36	6.27	4.36	6.27
Commission to Non-Executive Director	–	–	–	5.02	–	–	–	5.02
Director's Sitting fees	–	–	1.32	0.84	–	–	1.32	0.84
Reimbursement of Expenses by the Company	–	2.07	–	–	–	–	–	2.07
Redemption of NCPS	–	–	–	–	–	4,410.00	–	4,410.00
Redemption of Loan to Subsidiary	–	49,402.22	–	–	–	–	–	49,402.22
Interest Income from Subsidiary	–	783.40	–	–	–	–	–	783.40
Investment in shares	–	49,402.22	–	–	–	–	–	49,402.22
Security Deposit Refunded (Interest free)	–	–	–	–	100.00	–	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	–	121.38	121.38	1,303.04	1,460.45	2,754.42	1,581.84
Receivables	7.20	6,129.75	–	–	2.35	109.82	9.55	6,239.57

(i) The above related party transactions have been reviewed periodically by the Audit Committee and the Board of Directors of the Company vis-à-vis the applicable provisions of the Act, 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 with the respective notes.

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

Particulars	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Room, Food, Beverages and other services		
- Leading Hotels Limited	15.00	7.96
- Energy Infrastructure (I) Limited	0.28	0.52
- M/s. Bhasin & Co.	40.39	1.38
Remuneration		
- Mr. Shiv Kumar Jatia*	153.68	149.78
Professional Charges		
- M/s. Bhasin & Co.	4.36	6.27
Commission to Non-Executive Director		
- Mr. Amritesh Jatia	–	3.13
- Mr. Ramesh Jatia	–	1.89
Director's Sitting Fees		
- Mrs. Archana Jatia	0.12	–
- Mr. Amritesh Jatia	1.20	0.84
Reimbursement of Expenses by the Company		
- Leading Hotels Limited	–	2.07
Interest Income from Subsidiary		

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
- Finline Hospitality & Consultancy Pte Limited	—	783.40
Investment in Subsidiary		
- Finline Hospitality & Consultancy Pte Limited	—	49,402.22
Redemption of NCPS		
- Magus Estates & Hotels Limited	—	4,410.00
Proceeds from subsidiary of Foreign Currency Loan and accrued interest		
- Finline Hospitality & Consultancy Pte Limited	—	49,402.22
Security Deposit Refunded (Interest free)		
- Binaguri Tea Company Private Limited	100.00	—
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	—
Outstanding Payables		
- Mr. Shiv Kumar Jatia	102.75	102.75
- Mr. Amritesh Jatia	8.13	8.13
- M/s. Bhasin & Co.	3.04	2.54
- Magus Estates & Hotels Limited	—	58.34
- Binaguri Tea Company Private Limited	1,300.00	1,400.00
- Newtown Hospitality Private Limited	1,330.00	—
- Mr. Ramesh Jatia	1.89	1.89
- Mr. Raj Kumar Jatia	8.61	8.61
Outstanding Receivables		
- Ascent Hotels Private Limited	—	27.03
- M/s. Bhasin & Co.	2.07	0.43
- Magus Estates & Hotels Limited	—	81.56
- Energy Infrastructure (I) Limited	0.28	1.23
- Leading Hotels Limited	7.20	3.37

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

* Figure for 31st March, 2015 is net of recovery of Rs. 8.47 Lakhs excess paid in earlier years.

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. 193.33 Lakhs (Previous Year Rs. 205.37 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-

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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 8.50% p.a. (Previous Year 8.50% p.a.) compound has been used.

Salary Escalation Rate

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

The assumptions used are summarised in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
Discount rate(per annum)	8.50%	8.50%	8.50%	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				
- Upto 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 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
1. Expenses recognised in statement of profit and loss				
Current service cost	41.75	42.42	21.32	23.89
Interest cost	55.04	56.27	11.70	19.51
Expected return on plan assets	—	—	—	—
Net actuarial(gain)/loss recognised in the year	(9.99)	(113.32)	(18.58)	(105.32)
Total expenses/ (income)	86.80	(14.63)	14.44	(61.92)
2. Net asset/(liability) recognised as at the end of the year				
Present value of defined benefit obligation	636.05	647.49	110.92	137.61
Fair value of plan assets	—	—	—	—
Funded status [surplus/(deficit)]	(636.05)	(647.49)	(110.92)	(137.61)
Net asset/(liability) as at the end of the year	(636.05)	(647.49)	(110.92)	(137.61)

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
3. Change in the present value of obligation during the year				
Present value of obligation as at the beginning of the year	647.49	703.45	137.61	243.91
Interest cost	55.04	56.27	11.70	19.51
Current service cost	41.75	42.42	21.32	23.89
Benefits paid	(98.24)	(41.33)	(41.13)	(44.38)
Actuarial (gains)/losses on obligation	(9.99)	(113.32)	(18.58)	(105.32)
Present value of obligation as at the end of the year	636.05	647.49	110.92	137.61

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.

32 OTHER INFORMATION

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
(a) Value of imports calculated on CIF basis		
(i) Food and beverages	219.16	91.39
(ii) Stores and spares	211.33	257.32
(iii) Capital goods	864.53	1,876.20
(iv) Beverages - through canalising agencies	338.32	407.35
(b) Expenditure in foreign currency		
(i) Technical services (Royalty)	106.93	126.54
(ii) Technical services (Professional and consultation fees)	765.29	639.18
(iii) Interest	2,361.25	2,182.90
(iv) Others		
- Advertisement and publicity	264.83	285.16
- Commission and brokerage	487.18	474.49
- Recruitment and training	35.37	9.22
- Miscellaneous	94.42	115.81
(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 accountants)	12,610.59	13,310.96
(ii) Interest	—	783.40
(d) Details of dividends paid to Non-Resident Shareholders holding shares on repatriation basis:		
Final Dividend - Equity		
(i) Financial Year to which dividend relates	2013-14	2012-13
(ii) Number of non-resident shareholders	538	574
(iii) Number of shares held by them	12,144,769	14,020,312
(iv) Rupees (in Lakhs) equivalent of amount paid in foreign currency	115.54	134.05
(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	6.16

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

33 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135(5) of the Act, the Company has formed its 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 349 of the Companies Act, 1956, read with Section 198 of the Act) made during the immediately preceding three financial years.

- (a) Gross amount required to be spent by the Company during the 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. The CSR Committee has decided to contribute Rs. 59.45 Lakhs on the project, the details of expenditure is as follows:

Purpose of Project-Construction of asset	(Rs. In Lakhs)
Contribution in cash	15.00
Committed and provided but yet to be contributed	44.45
Amount paid/provided	59.45
Amount not yet provided/paid	17.43
TOTAL	76.88

34 DERIVATIVE INSTRUMENTS AND UN-HEDGED FOREIGN CURRENCY EXPOSURE

- (a) Derivatives outstanding as at 31st March, 2015

Particulars

Purpose

Forward contract to buy US\$

Nil (Previous year US\$ 5,816,502)

{Nil (Previous year Rs. 3,495.71 Lakhs)}

Hedge of future repayment of loans

- (b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2015 and 31st March, 2014 are as under:

Particulars	31 st March, 2015		31 st March, 2014	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
Receivables				
Loans and advances given				
(in USD)	562,666	352.18	1,284,761	772.14
(in EURO)	26,348	17.79	312,441	258.00
(in SGD)	—	—	243,420	118.85
(in GBP)	31,336	28.97	38,412	38.35
(in AED)	2,713	0.46	217,229	35.35
Investment in CRPS (refer Note 13 to the standalone financial statements) (in USD)	10,193,679	6,380.31	10,193,679	6,126.38
Payables				
Trade payables				
(in USD)	2,313,769	1,448.21	1,569,344	943.17
(in EURO)	1,552	1.05	11,099	9.17
(in GBP)	300	0.28	134	0.13
(in SGD)	1,176	0.54	—	—
(in SEK)	—	—	28,667	2.67
Payable for capital goods				
(in USD)	616,519	385.88	105,379	63.33
(in SEK)	28,667	2.09	—	—
External Commercial Borrowings (ECBs)				
(in USD)	50,677,375	31,719.37	52,077,177	31,298.28

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31 st March, 2015		31 st March, 2014	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
(in SGD)	23,688,197	10,807.74	23,688,197	11,278.76
Interest on ECBs				
(in USD)	1,315,398	823.32	1,186,415	713.03
(in SGD)	5,714	2.61	5,192	2.47

35 OTHER NOTES

- (a) Due to inadequacy of profit in the Financial Year 2013-14, the minimum remuneration paid to Mr. Shiv Kumar Jatia as Managing Director in terms of the shareholders' ordinary resolution dated 28th September, 2010, was in excess by an amount of Rs. 61.72 Lakhs of 5% of the net profit for that year. Consequently, the Company made an application to the Central Government for requisite approval for waiver of recovery of the excess remuneration, which was rejected. However, the Company has made a representation and is proposing to obtain shareholders' approval by means of a special resolution, in the forthcoming Annual General Meeting, seeking waiver of recovery of the excess remuneration.

Since, the Company has incurred loss in the Financial Year 2014-15, the minimum remuneration paid to Mr. Shiv Kumar Jatia as Managing Director in terms of the shareholders' ordinary resolution dated 28th September, 2010, exceeds the remuneration payable in terms of Section II of Part II of Schedule V to the Companies Act, 2013, for which the Company proposes to obtain shareholders' approval by means of a special resolution, in the forthcoming Annual General Meeting, seeking waiver of recovery of the excess remuneration of Rs. 20.64 Lakhs; and thereafter, will approach the Central Government for the requisite approvals.

(b) Taxation

- (i) No provision for tax has been made for income tax in absence of any taxable income during the current year.
- (ii) The Company has recognised deferred tax assets on employee benefits liabilities and other statutory liabilities, however, no deferred tax asset has been recognised in line with Accounting Standard (AS)-12 on "Accounting For Taxes on Income" on unabsorbed depreciation and carry forward losses in the absence of virtual certainty supported by convincing evidence, that the Company will have sufficient future taxable income against which such deferred tax can be realized.
- (c) The Lease rentals under an operating lease have not been recognised 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) Confirmation of debit & credit balances
- Letters for confirmation of balances sent to parties have been received back only in a few cases and discrepancies, if any, pointed out by the parties are being investigated for necessary adjustments to be carried out.
- (e) 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 realisation in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.
- (f) Previous year's figures

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

Signature to Note 1 to 35 of Financial Statements

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 016920

JYOTI SUBARWAL

President- Finance

& Operations

(Chief Financial Officer)

DR. LALIT BHASIN

Director

DIN: 00001607

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN: 02781300

Place: New Delhi

Dated: 28th May, 2015

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, 2015		31 st March, 2015		31 st March, 2015	31 st March, 2015
2 Share Capital	65,400.66	1,044.89	1.03	0.02	2,087.69	1.00
3 Reserve & Surplus	-2,964.49	-47.36	12,183.40	194.65	8,132.50	-153.06
4 Total Assets	62,606.18	1,000.25	12,869.12	205.61	25,597.37	1,380.04
5 Total Liabilities	170.01	2.72	684.69	10.94	15,377.18	1,532.10
6 Investments	62,590.80	1,000.00	12,832.78	205.03	-	-
7 Turnover	-	-	185.15	3.03	4.84	16.13
8 Profit / (Loss) before taxation	-11.95	-0.20	1.84	0.03	-97.73	-152.87
9 Provision for taxation	-	-	0.06	-	-	-
10 Profit/(Loss) after taxation	-11.95	-0.20	1.78	0.03	-97.73	-152.87
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 62.5908 and average exchange rate USD 1= INR 61.1471.
- These financial statements of Subsidiaries have been audited by firms of Chartered Accountants other than Mohinder Puri & Company.

ON BEHALF OF THE BOARD OF DIRECTORS

JYOTI SUBARWAL
President- Finance
& Operations
(Chief Financial Officer)

DR. LALIT BHASIN
Director
DIN: 00001607

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
Membership Number: FCS 6224

AMRITESH JATIA
Director
DIN: 02781300

Place: New Delhi
Dated: 28th May, 2015

**Consolidated
Financial Statements**

ASIAN HOTELS (NORTH) LIMITED

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF ASIAN HOTELS (NORTH) LIMITED 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** (hereinafter referred to as "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, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "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 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 judgement, 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, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 Group as at 31st March, 2015, 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)(f), 26(A)(g) & 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 components of the Group. The impact 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. 82,290.17 Lakhs as at 31st March, 2015, total revenues of Rs. 20.97 Lakhs and net cash flows amounting to Rs. 124.74 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 in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the

aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) 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 purpose 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 and the reports of the other auditors;
 - 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 written representations received from all *except one* of the directors of Holding Company as on 31st March, 2015, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of these companies from whom representations has been received are disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. 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:
 - a) the consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group (Refer Note 26(A) to the consolidated financial statements), except as mentioned above under the Paragraph on 'Emphasis of Matters';
 - b) the Group 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;
 - c) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N
Chartered Accountants

VIKAS VIG

PARTNER

Membership Number: 016920

Place: New Delhi

Date: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT OF ASIAN HOTELS (NORTH) LIMITED FOR THE YEAR ENDED 31ST MARCH, 2015

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in our Auditors' Report of even date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and its subsidiary companies incorporated in India.

- 1.a). The Holding Company and its subsidiary company incorporated in India have maintained proper records showing full particulars including quantitative details and situation of fixed assets. One of the subsidiary companies incorporated in India does not have any fixed assets, therefore, paragraph 3(i) of the Order is not applicable on the said subsidiary company.
- 1.b). All the fixed assets have not been physically verified by the management of the Holding Company and its subsidiary company incorporated in India during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Holding Company and its subsidiary companies incorporated in India and the nature of its assets. No material discrepancies were noticed on such verification.
- 2.a). The inventory has been physically verified during the year by the management of the Holding Company. In our opinion, the frequency of verification is reasonable. Subsidiary companies incorporated in India does not have any inventories, therefore, paragraph 3(ii) of the Order is not applicable on the subsidiary companies.
- 2.b). The procedures of physical verification of inventories followed by the management of the Holding Company are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- 2.c). The Holding Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Holding Company and the same have been properly dealt with in the books of account.
3. The Holding Company and its subsidiary companies incorporated in India have not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained by it under Section 189 of the Act excepting certain advance for expenses/trade receivables recoverable in the normal course of business.
4. In our opinion and opinion of other auditors, according to the information and explanations given to us and other auditors of its subsidiary companies incorporated in India, there are adequate internal control procedures commensurate with the size of the Holding Company and its subsidiary companies incorporated in India and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services, wherever applicable. During the course of our audit and other auditors' audit, no continuing failure to correct major weaknesses in the internal control systems of the Holding Company and its subsidiary companies incorporated in India have been observed.
5. In our opinion and opinion of other auditors, according to the information and explanations given to us and other auditors of its subsidiary companies incorporated in India, these companies have not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. The Central Government has not prescribed for the Holding Company and its subsidiary companies incorporated in India the maintenance of cost records under sub-section (1) of Section 148 of the Act.
- 7.a). According to the records of the Holding Company and its subsidiary companies incorporated in India examined by us and other auditors of subsidiary companies incorporated in India, the respective companies are 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.
- 7.b). According to the information and explanations obtained by us for Holding Company and other auditors of subsidiary companies incorporated in India, no material 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.
- 7.c). According to the records of the Holding Company and its subsidiary companies incorporated in India, 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:

- (i) As per records of Holding Company:

Nature of Statute	Year to which it relates	Amount unpaid (excluding interest)	Forum where dispute is pending
Finance Act, 1994 (Service tax)	2002-2007	401.10 Lakhs (including penalty of Rs. 250.00 Lakhs)	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Assessment Year 2011-12	5.53 Lakhs	Assessing Officer, rectification under section 154

ASIAN HOTELS (NORTH) LIMITED

(ii) As per records of Leading Hotels Limited, a subsidiary company:

Nature of Statute	Year to which it relates	Amount unpaid (including interest)	Forum where dispute is pending
Income Tax Act, 1961	Assessment Year 2013-14	156.43 Lakhs (TDS related)	CIT (Appeals) New Delhi

- 7.d). According to the records of the Holding Company and its subsidiary companies examined by their respective auditors and as per the information and explanation given, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules thereunder has been deposited with in time by the Holding Company. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.
8. The Holding Company has incurred cash losses during the financial year covered by our audit, however, there were no cash losses in the immediately preceding financial year. Accumulated losses of one of the subsidiary companies incorporated in India at the end of the financial year are less than fifty per cent of its net worth and it has incurred cash losses during the current financial year and in the immediately preceding financial year. The other subsidiary company incorporated in India has been registered for a period less than five years, therefore, paragraph 3(viii) of the Order, is not applicable on the said subsidiary company.
9. In our opinion and opinion of other statutory auditors, according to the information and explanations given to us by Holding Company and other auditors of its subsidiary companies incorporated in India, none of the companies has defaulted in repayment of respective dues to a financial institution or banks, *except one instance of delay by the Holding Company in repayment of foreign currency term loan, which was repaid before the end of financial year.* The Holding Company and subsidiary companies incorporated in India do not have any debenture holders.
10. According to the information and explanations given to us by the management of the Holding Company, the terms and conditions on which the Holding Company has given guarantees/securities for loans taken by one of its subsidiary company from banks or financial institutions are not prima facie prejudicial to the interest of the Group due to proximity of business relationship.
11. According to the explanations given to us for the Holding Company and other auditors of its subsidiary companies incorporated in India by the respective managements, term loans were applied for the purposes for which loans were raised.
12. Based upon the audit procedures performed and according to the information and explanations given to us for the Holding Company and to the auditors of subsidiary companies incorporated in India, by the respective management as per their report no fraud on or by the said companies has been noticed or reported as per their report during the year.

For MOHINDER PURI AND COMPANY

Firm Registration Number: 000204N
Chartered Accountants

VIKAS VIG
PARTNER

Membership Number: 016920

Place: New Delhi
Date: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

EQUITY AND LIABILITIES	Notes	As At 31st March 2015 (Rs. In Lakhs)	As At 31st March 2014 (Rs. In Lakhs)
Shareholders' Funds			
Share Capital	3	1,945.32	1,945.32
Reserves & Surplus	4	74,492.93	77,500.22
		<u>76,438.25</u>	<u>79,445.54</u>
Minority Interest		2,413.72	2,336.12
Non-Current Liabilities			
Long-Term Borrowings	5	87,460.43	75,341.83
Deferred Tax Liabilities (net)	6	2,580.65	2,360.77
Other Long-Term Liabilities	7	2,623.30	2,881.90
Long-Term Provisions	8	461.47	503.59
		<u>93,125.85</u>	<u>81,088.09</u>
Current Liabilities			
Short-Term Borrowings	9	9,087.70	15,813.23
Trade Payables	10	2,676.62	1,394.26
Other Current Liabilities	11	25,945.00	27,670.96
Short-Term Provisions	8	312.50	791.11
		<u>38,021.82</u>	<u>45,669.56</u>
TOTAL		<u>209,999.64</u>	<u>208,539.31</u>
ASSETS			
Non-Current Assets			
Fixed Assets	12		
Tangible Assets		140,125.30	131,200.45
Intangible Assets		50,278.13	47,660.51
Capital Work-In-Progress		13,326.08	14,288.40
Non-Current Investments		—	—
Long-Term Loans And Advances	13	1,940.55	8,478.58
Other Non-Current Assets	14	867.50	—
		<u>206,537.56</u>	<u>201,627.94</u>
Current Assets			
Inventories	15	458.87	610.95
Trade Receivables	16	985.81	996.74
Cash and Bank Balances	17	511.79	3,572.92
Short-Term Loans And Advances	13	1,496.99	1,709.91
Other Current Assets	14	8.62	20.85
		<u>3,462.08</u>	<u>6,911.37</u>
TOTAL		<u>209,999.64</u>	<u>208,539.31</u>

GROUP INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

CONTINGENT LIABILITIES AND COMMITMENTS

26

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

"As per our report attached"

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 016920

JYOTI SUBARWAL

President- Finance

& Operations

(Chief Financial Officer)

DR. LALIT BHASIN

Director

DIN: 00001607

SHIV KUMAR JATIA

Chairman & Managing Director

DIN: 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN: 02781300

Place: New Delhi

Dated: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Notes	For the year ended 31 st March 2015 (Rs. In Lakhs)	For the year ended 31 st March 2014 (Rs. In Lakhs)
I Revenue from Operations (gross)	18	23,281.82	22,808.22
Less: Excise Duty paid		(32.60)	(32.00)
Revenue From Operations (net)		23,249.22	22,776.22
II Other Income	19	3,112.37	5,757.96
III Total Revenue (I+II)		26,361.59	28,534.18
IV EXPENSES			
Consumption of Provisions, Beverages, Smokes & Others	20	2,943.93	2,936.78
Employee Benefits Expense	21	5,621.47	5,538.87
Other Expenses	22	10,380.96	8,177.38
TOTAL EXPENSES		18,946.36	16,653.03
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		7,415.23	11,881.15
Depreciation & Amortisation Expense	12	2,952.21	1,220.34
Less: Adjustment with retain earning {Refer Note. 12(c) to the consolidated financial statements}		(252.70)	—
Less: Transferred from Revaluation Reserve		—	(53.91)
Less: included as part of capital work-in-progress		(45.05)	(23.87)
Finance Costs	23	9,550.39	7,355.90
VI Profit/(Loss) before exceptional, prior period items, extraordinary items and tax		(4,789.62)	3,382.69
Exceptional Items		—	—
VII Profit/(Loss) before prior period items, extraordinary items and tax		(4,789.62)	3,382.69
Prior period items	24	16.81	(27.87)
VIII Profit/(Loss) before extraordinary items and tax		(4,806.43)	3,410.56
Extraordinary Items			
Provision for Impairment on goodwill on consolidation		—	5,119.60
IX Profit/(Loss) before tax		(4,806.43)	(1,709.04)
X Tax Expense			
Current Tax		0.05	912.73
Earlier Years Tax (written back)		(10.01)	(32.40)
MAT Credit Entitlement		—	(770.70)
MAT Credit Entitlement (Earlier years)		(7.45)	—
Deferred Tax Liability		301.87	1,423.11
Total tax		284.46	1,532.74
XI Profit/(Loss) for the year before Minority Interest (IX-X)		(5,090.89)	(3,241.78)
XII Attributable to Minority Interest			
Share of Profit/ (Loss)		(19.38)	(24.65)
Total		(19.38)	(24.65)
XIII Profit/(Loss) after minority interest (XI-XII)		(5,071.51)	(3,217.13)
Earnings/(Loss) Per Equity Share (in Rupees)	25		
Basic		(26.07)	30.71
Diluted		(26.07)	30.71
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 attached”

For MOHINDER PURI & COMPANY

Chartered Accountants

Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG

Partner

Membership Number: 016920

JYOTI SUBARWAL

President- Finance

& Operations

(Chief Financial Officer)

DR. LALIT BHASIN

Director

DIN: 00001607

SHIV KUMAR JATIA

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DIN: 00006187

DINESH KUMAR JAIN

Vice President (Corporate) &

Company Secretary

Membership Number: FCS 6224

AMRITESH JATIA

Director

DIN: 02781300

Place: New Delhi

Dated: 28th May, 2015

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) BEFORE TAX BUT AFTER EXCEPTIONAL/EXTRA ORDINARY ITEMS	(4,806.43)	(1,709.04)
Adjustments for:		
Depreciation and amortisation	2,654.46	1,142.56
Interest and finance charges	8,703.09	4,949.56
Interest income	(256.20)	(222.17)
Income from Investment - dividends	—	(0.15)
Loss/(Gain) on fixed assets sold/ discarded (net)	(2,472.83)	(2,682.89)
Impairment of goodwill on consolidation	—	5,119.60
Net unrealised (gain)/loss on foreign currency transaction and translation	600.15	(226.14)
Bad debts / advances written off	71.09	54.46
Provision for bad & doubtful debts/advances written back	—	(2.03)
Liability no longer required written back	(124.32)	(51.36)
Provision no longer required written back	(27.78)	(176.82)
Provision for gratuity and leave encashment	(37.91)	(160.86)
Prior period expenses/(income) (net)	16.81	(27.87)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,320.13	6,006.85
Adjustments for changes in working capital :		
(Increase)/decrease in trade receivables, loans & advances and other assets	164.91	(614.43)
(Increase)/decrease in inventories	152.08	23.33
Increase/(decrease) in trade payables, other liabilities and provisions	(4,342.11)	(4,545.51)
Effect of exchange differences on translation of assets and liabilities	41.20	(45.16)
CASH GENERATED FROM OPERATIONS	336.21	825.08
Income taxes paid	(663.72)	(729.88)
Prior period (expenses)/income (net)	(16.81)	27.87
NET CASH FROM OPERATING ACTIVITIES	(344.32)	123.07
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets		
Additions during the year	(7,121.16)	(1,982.87)
Capital work-in-progress		
Deductions/(additions) during the year	(1,280.84)	(6,483.66)
Proceeds from sale of fixed assets	6,952.98	9,223.46
Acquisition of Subsidiaries, cash outflow	—	(0.15)
Investments in bank deposits (with original maturity over 3 months)	(899.50)	(27.55)
Proceeds from bank deposits (with original maturity over 3 months)	212.50	219.31
Interest received (revenue)	268.43	216.38
Dividend received	—	0.15
NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES	(1,867.59)	1,165.07

ASIAN HOTELS (NORTH) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings		
Receipts	23,091.19	13,524.56
Payments	(8,187.63)	(9,126.45)
Proceeds from short-term borrowings		
Receipts	20,589.50	20,349.49
Payments	(27,315.03)	(14,038.35)
Redemption of Cumulative Redeemable Non-Convertible Preference Shares	–	(4,410.00)
Interest and finance charges (revenue)	(8,616.59)	(4,762.81)
Dividend paid	(194.55)	(199.41)
Dividend tax paid	(33.06)	(33.89)
NET CASH FROM/(USED) IN FINANCING ACTIVITIES	(666.17)	1,303.14
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,878.08)	2,591.28
CASH AND CASH EQUIVALENTS - OPENING	3,334.23	742.95
CASH AND CASH EQUIVALENTS - CLOSING	456.15	3,334.23
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,878.08)	2,591.28

NOTES:

- The above consolidated cash flow statement has been prepared under the "Indirect method" set out in the Accounting Standard (AS)-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 2015 (Rs. In Lakhs)	As At 31 st March 2014 (Rs. In Lakhs)
Balances with banks		
In current accounts	345.42	259.26
In deposits with original maturity of less than 3 months	73.90	3,004.35
Cheques, draft on hand	0.09	39.53
Cash on hand	36.74	31.09
	456.15	3,334.23

"As per our report attached"

For MOHINDER PURI & COMPANY
Chartered Accountants
Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG
Partner
Membership Number: 016920

JYOTI SUBARWAL
President- Finance
& Operations
(Chief Financial Officer)

DR. LALIT BHASIN
Director
DIN: 00001607

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

Place: New Delhi
Dated: 28th May, 2015

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
Membership Number: FCS 6224

AMRITESH JATIA
Director
DIN: 02781300

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. Group Information

Asian Hotels (North) Limited ("the Holding 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 Holding Company is operating a Five Star Deluxe Hotel, namely Hyatt Regency in Delhi since 1982. The Holding Company has four subsidiaries namely Fineline Hospitality & Consultancy Pte Ltd., an overseas subsidiary, incorporated in Mauritius which provides offshore project consultancy services; Lexon Hotel Ventures Limited is incorporated in Mauritius which also provides offshore project consultancy services; Leading Hotels Limited incorporated in India which is developing an all Villa Hotel Complex, including residential villas and an 18 hole, 72 pars Championship Golf Course in Goa (India) and Newtown Hospitality Private Limited incorporated in India to carry on Hospitality business.

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 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 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 (AS)-21 on "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 2015	Effective % of holding as at 31 st March 2014
Fineline Hospitality & Consultancy Pte Ltd (FHCPL)- an Overseas Subsidiary	Mauritius	100.00%	100.00%
Lexon Hotel Ventures Limited (Lexon), a subsidiary of FHCPL	Mauritius	80.00%(#)	80.00%(#)
Leading Hotels Limited (Leading), a subsidiary of Lexon	India	79.81%(^)	79.81%(^)
Newtown Hospitality Private Limited, a subsidiary	India	100.00%	100.00%

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

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

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

- The financial statements of the Holding Company, its Overseas Wholly Owned Subsidiary, its Overseas 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, 2015, in Indian Rupees as per the Indian Accepted Accounting Policies.
- 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.
- 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.
- Goodwill arising out of consolidation is tested for impairment at each balance sheet date.
- 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.

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

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

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Minority interest's 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.

(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 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

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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.

For exchange differences arising on certain long- term foreign currency monetary items, refer to note 2d 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 (AS) - 11 on "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 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.

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.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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 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.

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.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

3. SHARE CAPITAL

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (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, 2015, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2014: Re. 1.00).

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 2015		31 st March 2014	
	No. of Shares	% Shares	No. of Shares	% Shares
Equity Shares of Rs. 10 each fully paid up				
Fineline Holdings Limited, (an overseas entity)	5,510,645	28.33	7,360,645	37.84
Yans Enterprises (H.K.) Limited, (an overseas entity)	5,336,880	27.43	5,336,880	27.43
Mr. Shiv Kumar Jatia (Chairman & Managing Director)	2,668,027	13.72	818,027	4.21

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, 2015 and 31st March, 2014 is set out below:

Particulars	As At	
	31 st March 2015	31 st March 2014
Equity Shares of Rs. 10 each fully paid up		
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
1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs. 10 each fully paid up		
Number of shares in the beginning	—	4,900,000
Add: Shares issued during the year	—	—
Less: Shares redeemed during the year	—	(4,900,000)
Number of shares at the end	—	—

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (d) Aggregate number and class of shares allotted for consideration other than cash/bought back during the period of five years immediately preceding 31st March, 2015

Particulars	31 st March 2014	31 st March 2013	31 st March 2012	31 st March 2011	31 st March 2010
Increase of Equity shares of Rs. 10 each*	—	—	—	—	11,401,782
Reduction of Equity shares of Rs. 10 each**	—	—	—	—	22,803,564

*Capitalisation of General Reserves to the tune of Rs. 1,140.18 Lakhs as per the terms of the Scheme of Arrangement and Demerger for the purposes of allocation of capital among the demerging entities.

**Represents allocation of capital among resulting entities as per the terms of the Scheme of Arrangement and Demerger.

4 RESERVES & SURPLUS	Additions (Rs. In Lakhs)	Deductions (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (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	86.77	—	3,833.96	3,747.19
Tourism Development Utilised Reserve	—	—	5,332.02	5,332.02
Foreign Exchange Translation Reserve	2,234.93	—	4,525.79	2,290.86
Revaluation Reserve	—	(86.77)	19,248.48	19,335.25
Surplus in Statement of Profit and Loss	—	(5,242.22)	6,842.12	12,084.34
	2,321.70	(5,328.99)	74,492.93	77,500.22

- (a) Deduction to Revaluation Reserve represents amount withdrawn on account of depreciation on the increased amount of assets due to revaluation 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.

- (b) General Reserve

Opening balance	3,747.19	3,747.19
Add: Transferred from revaluation reserve	86.77	—
Add: Transferred from Statement of Profit and Loss	—	—
Closing balance	3,833.96	3,747.19

- (c) Surplus in Statement of Profit and Loss

Opening balance	12,084.34	15,529.06
Add: Profit/(Loss) for the year	(5,071.51)	(3,217.13)
Less: Depreciation Adjustment {Refer Note 12(c) to the consolidated financial statements}	(170.71)	—
Amount available for appropriation	6,842.12	12,311.93
Less: Appropriations		
Proposed Dividend on Equity Shares	—	194.53
Dividend Distribution Tax	—	33.06
Amount transferred to general reserve	—	—
Total	—	227.59
Closing balance	6,842.12	12,084.34

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2015

5 LONG-TERM BORROWINGS

	NON-CURRENT		CURRENT	
	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
SECURED LOANS				
TERM LOANS				
FROM BANKS				
DBS Bank Limited				
-External commercial borrowings	34,167.14	41,735.76	8,359.97	4,336.98
(USD 506.77 Lakhs and SGD 236.88 Lakhs, Previous Year USD 578.94 Lakhs and SGD 236.88 Lakhs)				
Axis Bank Limited-Rupee loan	19,775.00	19,900.00	—	1,600.00
IDBI Bank Limited-Rupee loan	5,700.00	4,500.00	300.00	—
ING Vysya Bank Limited-Rupee loan	5,719.74	4,485.58	647.23	361.15
Yes Bank Limited-Rupee loan	16,991.45	2,920.00	—	80.00
ICICI Bank Limited-Rupee loan	35.52	174.05	138.53	123.66
For business of generation of electricity				
(Refer Note 30 to the consolidated financial statements on Segment Reporting)				
ING Vysya Bank Limited-Rupee loan	146.89	343.14	96.25	196.25
For acquisition of vehicles				
Axis Bank-Rupee loan	3.33	29.00	25.67	32.93
FROM FINANCIAL INSTITUTION				
IFCI Limited-Rupee loan	3,500.00	—	—	—
For acquisition of vehicles				
Kotak Mahindra Prime Limited-Rupee loan	148.53	104.37	57.56	45.02
UNSECURED LOANS				
Loan from:				
Corporate (Inter-corporate Loans)	470.57	401.44	919.80	98.58
Interest Free foreign currency loan from:				
Promoter Directors	747.97	718.21	—	—
Group Companies	54.29	30.28	—	—
	87,460.43	75,341.83	10,545.01	6,874.57
Amount disclosed under the head				
"Other Current Liabilities" (Note 11 to the consolidated financial statements)			(10,545.01)	(6,874.57)
	87,460.43	75,341.83	—	—

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

- (a) DBS Bank Limited - External Commercial Borrowings (carried interest from 4.10% to 5.95% per annum) are secured / to be secured by exclusive first charge of land & building of Hotel Hyatt Regency Delhi; 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 236.88 Lakhs is payable in 13 quarterly instalments up to June 2018; (ii). USD 416.05 Lakhs is payable in 8 semi-annual instalments up to October 2018 and; (iii). USD 90.72 Lakhs is payable in 10 semi-annual instalments up to October 2019.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (b) Axis Bank Limited - Rupee loan (carried interest from @ 12.50% to 13.00% per annum) is secured by first charge on six floors (Service 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. Repayable in unequal quarterly instalments up to March 2023 commenced from December 2014.
- (c) IDBI Bank Limited - Rupee loan (carried interest @ 13.00% per annum) is secured by first pari-passu charge on land and building of existing Hotel block (Hyatt Regency Delhi) along with DBS Bank Limited (excluding new tower which is mortgaged exclusively to Axis Bank and ING Vysya Bank Limited); unconditional and irrevocable personal guarantee of Chairman & Managing Director. Repayable in 18 unequal quarterly instalments commencing from October 01, 2015.
- (d) ING Vysya Bank Limited - Rupee loan Rs. 4,485.55 Lakhs (carried interest from @ 12.10% to 12.55% per annum) is secured by exclusive mortgage charge on two floors (Service Apartments) in the new tower/building in 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. Repayable in 84 monthly instalments up to September 2020, repayment started from October 2013. ING Vysya Bank - Rupee loan Rs. 1,881.42 Lakhs (carried interest @ 12.35% per annum) is secured by exclusive mortgage charge on new tower ground, lobby level floor, 3000 sq. ft. of sixth floor, first pari-passu charge on the moveable fixed assets in the existing Hyatt Regency Delhi and personal guarantee of Chairman and Managing Director, repayable in 84 monthly instalments, up to June 2021.
- (e) Yes Bank Limited - Rupee loan Rs. 5,000.00 Lakhs (carried interest @ 12.50% per annum) is secured by first pari-passu charge on hotel 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 Mr. Amritesh Jatia, Director; Repayable in 32 quarterly instalments by January 2024 starting from April 2016. Rupee loan Rs. 11,991.45 Lakhs (carried interest @ 11.37% per annum) is 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. Further secured by certain holdings of other group companies for which necessary filing and approvals are yet to be completed.
- (f) ICICI Bank - Rupee loan (carried interest @ 11.41% per annum) is secured against hypothecation of 16 vehicles. Balance repayable in monthly instalments up to June 2016.
- (g) ING Vysya Bank - Rupee loan for business of generation of electricity (carried interest from @ 12.10% to 12.55% 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 5 equal instalment up to October 2016.
- (h) Axis Bank - Rupee loan for acquisition of vehicles (carried interest @ 9.32% to 11.12% per annum) is secured against hypothecation of certain vehicles. Balance repayable in monthly instalments up to July 2016.
- (i) IFCI Ltd - Rupee loan (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 47695 sq. ft. (excluding 3000 sq. ft. super built-up on sixth floor, 5335 sq. ft. super built-up area on fifth floor, 985 sq. ft. super built-up area on third floor and 985 sq. ft. super built-up area on second floor) in the Serviced Apartment Tower, first charge and/or hypothecation of freehold land, plant & machinery situated at Sangola in Maharashtra and personal guarantee of Chairman & Managing Director. Repayable in 18 equal instalment commencing from 15th October, 2016.
- (j) Kotak Mahindra Prime Limited - vehicle loans (carried interest @ 8.75% to 10.69% per annum) are secured by hypothecation of respective vehicles, balance repayable in monthly instalments up to May 2019.
- (k) Inter-Corporate Loans carried interest rate from 13.50% to 15.00% per annum.
- (l) There is no continuing default in repayment of loans and interest as on 31st March, 2015. However, during the year there was a delay in repayment of foreign currency term loan and certain delays in interest payments.
- (m) The details of repayment of long-term borrowings as at 31st March, 2015 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 loans				
From banks	9,596.31	55,831.09	26,786.40	92,213.80
From financial institution	28.90	2,792.32	777.78	3,599.00
Unsecured loans	919.80	1,272.84	—	2,192.64
Total	10,545.01	59,896.25	27,564.18	98,005.44

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

6	DEFERRED TAX LIABILITIES (NET)	Increase / (Decrease) (Rs. In Lakhs)	Transitional Difference* (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
	Deferred Tax Liabilities/(Asset) on account of timing differences:				
	Depreciation	689.69	(81.99)	3,893.10	3,285.40
	Provision for employee benefits	36.05	—	(230.81)	(266.86)
	Other statutory dues	(423.87)	—	(1,081.64)	(657.77)
		301.87	(81.99)	2,580.65	2,360.77

* Refer Note 12(c) to the consolidated financial statements

7	OTHER LONG-TERM LIABILITIES	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
	Shop and Other security deposits received	1,680.30	195.90
	Advance and deposits for Villa and Development rights	943.00	2,686.00
		2,623.30	2,881.90

(a) The above includes Rs. 177.33 Lakhs (Previous Year Rs. 195.90 Lakhs) received as refundable interest free security deposits against Leave & License Agreements relating to the shops in Hotel Hyatt Regency and Rs. 1,500.00 Lakhs (Previous Year Nil) received as refundable interest free security deposit for parking space in Service 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.

8	PROVISIONS	LONG-TERM		SHORT-TERM	
		31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
	Provision for employee benefits				
	Gratuity	371.96	395.73	267.04	254.49
	Leave encashment	89.51	107.86	21.41	29.75
	Provision for taxation (net of advance income tax)	—	—	24.05	279.28
	Proposed dividend on equity shares	—	—	—	194.53
	Corporate dividend tax	—	—	—	33.06
		461.47	503.59	312.50	791.11

9	SHORT-TERM BORROWINGS	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
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SECURED LOANS

FROM BANKS

Term Loans

- ING Vysya Bank Limited	1,531.78	1,794.58
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Loans repayable on demand from banks

Overdraft facilities

- DBS Bank Limited	1,872.29	2,371.57
- Yes Bank Limited	445.69	1,531.60
- ING Vysya Bank Limited	38.62	2,914.72
- IDBI Bank	1,489.32	—

UNSECURED LOANS

Others

- Inter Corporate Loans (carries interest 12.00%-20.00% per annum)	3,710.00	7,200.76
	9,087.70	15,813.23

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (a) ING Vysya Bank Ltd.-Term loan (carries interest @ 11.50% per annum) and is secured by mortgage of six acres land situated in New Town, District North 24 Parganas, Kolkata owned by the Holding Company and personal guarantee of Chairman & Managing Director. (Previous Year - ING Vysya Bank Limited - Term loan was secured by mortgage of land on by Leading Hotels Limited, a subsidiary, at the interest rate of 12.05% per annum and the said loan has since been repaid.)
- (b) DBS Bank Limited - Overdraft facilities (carries interest @ 12.00% per annum) and is secured against hypothecation of Inventories of Hotel Hyatt Regency Delhi.
- (c) Yes Bank Limited - Over draft facilities (carried interest @ 11.50% per annum) is secured by pledge on shareholding of Chairman & Managing Director, his associates, Asian Holdings Private Limited and other group companies (total 7.2%) in the Holding Company; Exclusive charge by way of equitable mortgage of properties owned by two other group companies of Chairman & Managing Director; pledge on 30% shareholding of Chairman & Managing Director in RSJ Developers Private Limited; unconditional and irrevocable personal guarantee of Chairman & Managing Director and unconditional, irrevocable corporate guarantee of WEL Intertrade Private Limited and unconditional and irrevocable personal guarantee of Mr. Amritesh Jatia, Director.
- (d) ING Vysya Bank Limited - Overdraft facilities (carried interest @ 12.20% per annum) is secured against hypothecation of stocks and book debts of Hotel Hyatt Regency Delhi.
- (e) IDBI Bank Limited - Overdraft facilities (carried interest @ 12.75% per annum) is secured against first pari-passu charge on Hyatt Regency Delhi (excluding Serviced Apartment Tower).
- (f) Inter-corporate loans amounting to Rs. 2,685.00 Lakhs are subject to confirmation/reconciliation with respective parties as at 31st March, 2015.
- (g) There is no continuing default in repayment of loans and interest as on 31st March, 2015.

10 TRADE PAYABLES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Trade Payables		
-For goods and services*	2,676.62	1,394.26
	<u>2,676.62</u>	<u>1,394.26</u>
* includes due to Micro, Small & Medium Enterprises	-	-

11 OTHER CURRENT LIABILITIES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Current maturities of long-term borrowings (Refer Note 5 to the consolidated financial statements)	10,545.01	6,874.57
Interest accrued and due on borrowings	115.72	-
Interest accrued but not due on borrowings	1,147.27	1,176.49
Unpaid/ Unclaimed Dividend	23.50	26.07
Other Payables		
Advance from customers	839.77	8,319.35
Payables for capital goods	603.50	565.83
Security deposits (Interest free)	5,069.73	4,501.19
Statutory liabilities	5,675.03	3,593.71
Others	1,925.47	2,613.75
	<u>25,945.00</u>	<u>27,670.96</u>

- (a) Advances from customers includes Rs. 275.00 Lakhs (Previous Year Rs. 7,707.97 Lakhs) received from prospective buyers against agreements for sale/ fit outs of certain constituents forming part of the Serviced Apartment Tower. These advances are subject to agreements/ memorandum of understandings and confirmations/ reconciliations.
- (b) Security deposits (interest free) includes Rs. 1,300.00 Lakhs (Previous Year Rs. 1,400.00 Lakhs) received from a company in which certain relatives of directors of the Holding Company are interested and Rs. 3,690.00 Lakhs (Previous Year Rs. 3,020.00 Lakhs) received from other entities against expression of interest for a Joint Venture in respect of its KOLKATA PROJECT. {Refer Note 13(a) to the consolidated financial statements}. All these security deposits are subject to agreements/memorandum of understandings and Rs. 3,500 Lakhs are subject to confirmations/ reconciliations.
- (c) Statutory liabilities includes provision for difference of property tax along with interest thereon amounting to Rs. 5,159.27 Lakhs (Previous Year Rs. 3,121.80 Lakhs) {Refer Note 26A(d) to the consolidated financial statements}.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

12. FIXED ASSETS

(Rs. In Lakhs)

Description	GROSS BLOCK			DEPRECIATION/ AMORTISATION/ IMPAIRMENT			NET BLOCK	
	As at 01.04.2014	Additions during the year	Deductions/ Adjustments during the year	As at 31.03.2015	Upto 31.03.2014	For the year Adjustments during the year	Impairment	Upto 31.03.2015
Tangible assets								
Land (freehold)	92,453.62	6,764.09	-	99,217.71	-	-	-	-
Buildings	27,014.33	7,308.59	4,143.71	30,179.21	2,061.93	474.04	-	2,535.97
Plant and Equipments	13,708.62	1,845.75	236.55	15,317.82	4,361.59	1,200.74	-	5,540.46
Furniture Fixtures and Furnishings	6,928.96	244.10	116.36	7,056.70	3,452.06	940.40	-	4,379.17
Vehicles	1,243.66	124.20	88.17	1,279.69	437.86	235.97	-	597.01
Office Equipments	78.15	17.14	0.56	94.73	16.21	40.95	-	56.99
Computers	663.68	53.33	139.05	577.96	560.92	60.11	-	488.93
Total	142,091.02	16,357.20	4,724.40	153,723.82	10,890.57	2,952.21	-	13,598.53
Intangible assets								
Goodwill on consolidation	52,780.11	2,617.63	-	55,397.74	5,119.60	-	-	5,119.60
Total	52,780.11	2,617.63	-	55,397.74	5,119.60	-	-	5,119.60
Grand Total	194,871.13	18,974.83	4,724.40	209,121.56	16,010.17	2,952.21	-	18,718.13
Previous Year	164,557.86	37,455.47	7,142.20	194,871.13	10,271.86	1,220.34	5,119.60	16,010.17
Capital work-in-progress (Refer Note 12A)								
								13,326.08
								203,729.51
								14,288.40
								193,149.36

(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. 53.91 Lakhs), for the current year, on account of depreciation. Resultantly, an equivalent amount of Rs. 86.77 Lakhs (Previous Year Rs. 53.91 Lakhs) has been withdrawn from the Revaluation Reserve and credited to the General Reserve (Previous Year credited to the statement of profit and loss). The increase in current year charge is attributable to the reassessment done due to facts as mentioned in Note 12(c) below.

(c) The management reassessed the remaining useful life of the Group's fixed assets with effect from 1st April, 2014, as prescribed in Schedule II to the Act.. Due to the said reassessment, the depreciation for the year ended 31st March, 2015 increased by Rs. 861.74 Lakhs. Further, based on transitional provision provided as in Note 7(b) of the said Schedule II, an amount of Rs. 252.70 Lakhs is also included in depreciation for the year ended 31st March, 2015 from which an amount of Rs. 170.71 Lakhs (net of deferred tax Rs. 81.99 Lakhs) has been adjusted against the opening balance of retained earnings, representing the carrying amount of the assets whose remaining useful life is Nil.

(d) 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 Nil (Previous Year Rs. 5,119.60 Lakhs) as required in terms of Accounting Standard (AS)-28 on Impairment of Assets.

(e) Additions during the year to Land (freehold) also includes land at Kolkata-Refer Note 13(a) to the consolidated financial statements.

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
(f) Building includes leasehold improvement:		
Gross value	69.86	69.86
Accumulated Depreciation	44.33	37.95
Depreciation charge for the year	6.38	10.26
Net value	25.53	31.91
(g) Vehicles includes those financed:		
Gross value	928.45	756.90
Net value	589.05	523.37
(h) Land - Freehold and Plant & Machinery includes assets relating to the business of generation of electricity (Refer Note 30 to the consolidated financial statements 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	1,195.22	1,268.71
(i) Delhi Development Authority vide Notification No. 2034E dated 12.08.2008 has, subject to fulfilment of certain conditions, granted an additional FSI, which in case of the Holding Company, works out to approx. 15000 square meters. The Holding Company has utilized most of the aforesaid additional FSI up till 31 st March, 2015.		
(j) During the year, the sale of further two floors in Serviced Apartment Tower/ Building has been recognized and registered sale deed in respect of the sale of these areas has also been executed. Further, the long-term lease of certain further areas in Serviced Apartment Tower/ Building has been executed and registration of said deeds in respect of these areas has also been executed. The same has been treated as sale of fixed assets and the cost of said area being de-capitalized during the current year. The gain on said sales/ long-term leases has been included in "Other Income".		

12A. Capital Work-in-progress consists of:

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Balance at the beginning of the year	14,288.40	35,376.26
Building under construction	645.57	1,187.24
Project Development Expenses (including project design, technical and consultancy fees)	920.86	83.55
Kitchen Equipments	385.51	8.13
Mock up room cost	—	1.45
Plant and Equipments under installation	60.59	—
Plumbing and sanitation	17.96	37.98
Air conditioning under installation	141.15	148.72
Generators under installation	—	9.03
Elevators under installation and others	—	102.61
Furniture and Fixtures	977.48	131.51
Fire fighting equipments	113.75	48.95
Office, Housekeeping and other equipments	26.33	1.72
Music, TV and Cinematograph	45.06	4.18
Electrification	168.25	72.15
Expenditure during construction {Refer Note (a) below}	4,771.21	6,546.55
	22,562.12	43,760.03
Less: Capitalised during the year	(9,236.04)	(29,471.63)
Balance at the end of the year*	13,326.08	14,288.40

* Balance as at 31st March, 2015, represents certain area of New Ball Room (a part of Expansion Project of existing facilities of Hotel Hyatt Regency Delhi) of which refurbishing is still going and cost of development on site of an all Villa Hotel Complex at Goa, including residential villas and an 18 hole, 72 par Championship Golf Course

ASIAN HOTELS (NORTH) LIMITED

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- (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:

	For the year ended 31 st March 2015 (Rs. In Lakhs)	For the year ended 31 st March 2014 (Rs. In Lakhs)
STATEMENT OF EXPENDITURE DURING CONSTRUCTION		
Employee benefits expenses	184.11	290.50
Rent	35.64	29.77
Loan processing and arranging fees	2,247.20	35.83
Legal and professional charges	27.83	87.71
Rates and taxes	156.43	0.19
Site office running expenses	45.47	42.69
Insurance cost	1.08	9.60
Travelling expenses	168.66	256.86
Interest expenses	1,549.99	3,923.88
Depreciation	45.05	23.87
Net loss on foreign currency transaction and translation	31.40	1,692.83
Miscellaneous	278.35	152.82
	4,771.21	6,546.55

- (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 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.

13 LOANS AND ADVANCES

	NON-CURRENT		CURRENT	
(Unsecured, considered good, unless stated otherwise)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Capital advances				
Considered good	546.12	7,491.11	—	—
Considered doubtful	21.18	—	—	—
Security Deposits	92.43	96.04	18.60	21.20
Other loans and advances				
Advances recoverable in cash or in kind or for value to be received*	21.16	15.75	1,045.05	1,344.98
Inter Corporate Loans**	—	—	0.62	0.60
Prepaid expenses	12.71	33.46	318.65	292.08
Advance Income Tax (net of provision)	489.98	71.52	—	—
Minimum Alternate Tax (MAT) Credit Entitlement	778.15	770.70	—	—
Service tax recoverable	—	—	80.54	0.11
Value Added Tax (VAT) recoverable	—	—	33.53	50.94
Less: Provision for doubtful capital advances	(21.18)	—	—	—
	1,940.55	8,478.58	1,496.99	1,709.91
*includes loans to employees	21.16	23.98	4.40	10.29
**includes loans to Deuchny Properties Ltd.	—	—	0.62	0.60

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- (a) In response to a financial bid made to West Bengal Housing Infrastructure Development Corporation Limited (WBHIDCO), the Holding Company had been offered an allotment of a plot of land measuring six acres (approx.) on freehold basis for setting up of a five star hotel and allied facilities (KOLKATA PROJECT). Capital advances as on 31st March, 2014 included Rs. 5,942.57 Lakhs paid against said allotment, it also included Rs. 12.98 Lakhs for registration of said land in the name of the Holding Company. During the current financial year, the land has been registered in the name of the Holding Company and accordingly capitalised.
- (b) Advances recoverable in cash or in kind or for value to be received includes Rs. 800.00 Lakhs (Previous Year Rs. 1,000.00 Lakhs) overdue receivable from a company. In efforts for recoverability of the balance amount, post-dated cheques without any interest have been received by the Holding Company.

14 OTHER ASSETS (Unsecured Considered good)	NON-CURRENT		CURRENT	
	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Interest accrued on fixed deposits with banks	—	—	8.62	20.85
Non-current bank balances (Refer Note 17 to the consolidated financial statements)	867.50	—	—	—
	<u>867.50</u>	<u>—</u>	<u>8.62</u>	<u>20.85</u>
15 INVENTORIES (valued at lower of cost or net realizable value)			31st March 2015 (Rs. In Lakhs)	31st March 2014 (Rs. In Lakhs)
Wines and Liquor			162.85	304.92
Provisions, other beverages and smokes			53.72	68.44
Crockery, cutlery, silverware, linen etc.			142.36	137.25
General stores and spares			99.94	100.34
			<u>458.87</u>	<u>610.95</u>
- As per inventory taken and valued by the Management				
16 TRADE RECEIVABLES (Unsecured)			31st March 2015 (Rs. In Lakhs)	31st March 2014 (Rs. In Lakhs)
Outstanding for a period exceeding six months				
Considered good			34.57	135.74
Considered doubtful			0.69	—
Others				
Considered good			951.24	861.00
Considered doubtful			6.11	—
			<u>992.61</u>	<u>996.74</u>
Less: Provision for doubtful debts			<u>(6.80)</u>	<u>—</u>
			<u>985.81</u>	<u>996.74</u>
Trade receivables includes:				
- due from Energy Infrastructure (I) Limited, a company in which director of the Holding Company is director			0.28	1.23
- due from M/s. Basin & Co., a firm in which director of the Holding Company is proprietor			2.07	—
- due from an officer of the Holding Company			0.02	—
- debts related to generation of electricity business			15.10	23.57
(Refer Note 30 to the consolidated financial statements on Segment Reporting)				

ASIAN HOTELS (NORTH) LIMITED

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17 CASH AND BANK BALANCES	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Cash and Cash Equivalents		
Balances with banks		
In Current Accounts	345.42	259.26
In Deposits with original maturity of less than 3 months*	73.90	3,004.35
Cheques, drafts on hand	0.09	39.53
Cash on hand	36.74	31.09
	456.15	3,334.23
Other Bank Balances		
Balances with banks		
In Unpaid Dividend Accounts #	23.59	26.14
In Deposits with original maturity of more than 3 months but less than 12 months**	32.05	212.55
In Deposits with original maturity of more than 12 months***	867.50	—
	923.14	238.69
Amount disclosed under Other Assets (Non-Current) {Note 14 to the consolidated financial statements}	(867.50)	—
	511.79	3,572.92
# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.09	0.07
* includes under lien against guarantee given for loan taken by Leading Hotels Limited, a subsidiary	—	3,000.00
* includes as margin money deposit against borrowings from banks	64.00	—
** includes as margin money deposit against borrowings from banks	32.00	212.50
*** includes as margin money deposit against borrowings from banks	867.50	—
18 REVENUE FROM OPERATIONS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
ROOMS, FOOD, BEVERAGES AND OTHER SERVICES		
Rooms	10,315.80	10,384.92
Wines and liquor	2,153.43	1,958.41
Food, other beverages, smokes & banquets	7,545.39	7,106.51
Communications	53.29	72.78
Others*	3,213.91	3,285.60
	23,281.82	22,808.22
*Includes related to generation of electricity business (Refer Note 30 to the consolidated financial statements on Segment Reporting)	182.24	242.33
19 OTHER INCOME	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest Received/Receivable		
From banks	170.72	217.35
From others	85.48	4.82
Dividend received on non - trade investments	—	0.15
Excess provisions no longer required written back	27.78	176.82

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19 OTHER INCOME (contd.)	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Credit balances written back	124.32	51.36
Provision for doubtful debts/advances written back	—	2.03
Net gain on sale of fixed assets {Refer Note 12(j) to the consolidated financial statements}	2,472.83	2,682.89
Net gain on foreign currency transaction and translation (other than considered as finance cost)	224.71	2,614.90
Miscellaneous Income	6.53	7.64
	3,112.37	5,757.96
20 CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
WINES & LIQUOR		
Opening Stock	304.92	256.68
Add : Purchases	455.78	658.41
	760.70	915.09
Closing Stock	(162.85)	(304.92)
	597.85	610.17
PROVISIONS, OTHER BEVERAGES AND SMOKES		
Opening Stock	68.44	92.57
Add : Purchases	2,331.36	2,302.48
	2,399.80	2,395.05
Closing Stock	(53.72)	(68.44)
	2,346.08	2,326.61
	2,943.93	2,936.78
Percentage of total consumption between:		
Indigenous 72.73% (Previous Year 77.38%)	2,141.12	2,272.47
Imported 27.27% (Previous Year 22.62%)	802.81	664.31
21 EMPLOYEE BENEFITS EXPENSES	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Salaries and Wages	4,102.13	4,072.74
Contribution to Provident and other funds	210.49	221.71
Contract labour & services	754.77	706.37
Staff welfare expenses*	492.29	479.09
Recruitment and training	61.79	58.96
	5,621.47	5,538.87
* includes :		
Cost of provisions consumed in staff cafeteria	199.61	250.29
Realisation on sale of food coupons to staff	(37.80)	(27.24)

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

22 OTHER EXPENSES

	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
OPERATING, ADMINISTRATION AND GENERAL EXPENSES		
Linen, room, catering and other supplies/services	708.54	659.98
Operating equipment and supplies written off	328.40	248.53
Fuel, power and light (net)	1,846.90	1,621.80
Repairs, maintenance and refurbishing*	858.43	901.69
Rent	34.75	1.37
Rates and taxes**	2,546.62	878.01
Insurance	116.44	105.55
Data processing charges	130.11	121.99
Directors' sitting fee and commission	9.12	31.02
Legal and professional charges	444.79	328.80
Payment to the auditors***	48.72	50.06
Artist fee	9.81	14.53
Stationery and printing	76.68	99.72
Travelling and conveyance****	320.70	358.36
Guest transportation	291.14	301.60
Communication (including telephones for guests)	157.82	164.38
Technical services	883.68	878.45
Advertisement and publicity	484.95	443.50
Commission and brokerage	828.25	803.44
Charity and donations	10.14	12.73
Corporate Social Responsibility (CSR) expenses (Refer Note 31 to the consolidated financial statements)	59.45	—
Provision for doubtful debts/ advances	27.98	—
Bad debts / advances written off (net)	71.09	54.46
Miscellaneous	86.45	97.41
	10,380.96	8,177.38
* includes:		
Repairs to buildings	175.26	187.37
Repairs to machinery	529.97	590.17
** includes Rs. 138.52 Lakhs (Previous Year Nil) including interest of Rs. 44.30 Lakhs (Previous Year Nil) for payment of service tax liability pertaining to earlier years based on service tax audit conducted by Service Tax Department. Further, regarding provision of property tax for earlier years please refer Note 26A(d) to the consolidated financial statements.		
***Payments to the auditors for (including service tax)		
Statutory audit	36.92	37.99
Tax audit	5.62	5.62
Limited Review and certification	5.06	5.06
Other Services	1.12	1.39
	48.72	50.06

**** Expenses relating to Directors have been reviewed by the Audit Committee of Board of Directors and approved as a measure of good corporate governance.

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

23 FINANCE COSTS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Interest expenses	8,451.57	4,186.65
Other borrowing costs (including bank charges)	251.52	762.91
Applicable net loss on foreign currency transactions and translation {Refer Note 2(l) to the consolidate financial statements on borrowing costs}	847.30	2,406.34
	9,550.39	7,355.90
24 PRIOR PERIOD ITEMS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Salaries and Wages	0.72	0.72
Staff welfare expenses	–	2.51
Repair, maintenance and refurbishing	4.83	1.83
Rates and taxes	–	2.96
Insurance	5.41	0.12
Data processing charges	0.97	–
Legal and professional expenses	2.85	2.23
Travelling and conveyance	0.14	–
Communication (including telephones for guests)	–	0.11
Advertisement and publicity	–	0.59
Miscellaneous	2.93	0.64
Technical services income	–	(39.48)
Other services income	(1.04)	(0.10)
	16.81	(27.87)
25 EARNING PER EQUITY SHARE	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
Profit/(Loss) for the year	(5,071.51)	(3,241.24)
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)	(26.07)	(16.66)
26 CONTINGENT LIABILITIES AND COMMITMENTS	31st March 2015	31st March 2014
	(Rs. In Lakhs)	(Rs. In Lakhs)
A CONTINGENT LIABILITIES		
(a) Claims against the Group not acknowledged as debts*	20.00	20.00
* pertains to cases filed by certain employees of the Holding Company.		
(b) Income tax demand/ liabilities not provided for*	85.79	74.48
* includes income tax demand of Rs. 5.53 Lakhs (Previous Year Rs. 21.13 Lakhs)		
* includes contingent liability of Rs. 80.26 Lakhs (Previous Year Rs. 53.35 Lakhs) on account of taxes as are required to be withheld by the Holding Company, as per the latest order of Assessing Officer from the payment to a foreign service provider. However, during the earlier years the Holding Company was getting Nil withholding tax order for the same. The Holding Company has gone into appeal with appropriate authorities against this order. As per the agreement with the foreign service provider the payments to be made to him shall be without any deduction of taxes, however, if there are any withholding taxes the same are to be borne by the Holding Company. Confident of getting a Nil withholding tax order, the Holding Company has not provided for the amount.		

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

26 CONTINGENT LIABILITIES AND COMMITMENTS (contd.)

31st March 2015 31st March 2014

(Rs. In Lakhs) (Rs. In Lakhs)

(c) Service tax demand not provided for* **401.10** 401.10

* includes demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs (Previous Year Rs. 401.10 Lakhs) including 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, New Delhi on 11th March, 2014. The Holding Company is contesting to have already paid the determined balance liability without penalty before the issuance of show cause notice by Service Tax Authorities. Hence, the Holding Company may not be liable to pay any demand and penalty. Further, the Holding Company is examining in detail certain transactions for applicability of service tax and will recognise and deposit the same if applicable on completion of such determination.

(d) The Federation of Hotels & Restaurants Association of India (FHRAI) and the Holding Company had filed a writ petition in the High Court of Delhi against the "Unit Area Scheme", the new method for payment of property tax introduced by Municipal Corporation of Delhi (MCD) w.e.f. 1st April, 2004. In terms of the interim order dated 10th September, 2004, passed by the Hon'ble High Court of Delhi in the said matter, the Holding Company has, so far, been paying a sum of Rs. 54.52 Lakhs per annum based on the Rateable Value Method, existing prior to the new method. In a subsequent development, vide order dated 23rd May, 2014, the Hon'ble High Court directed the petitioners to pay the property tax based on user factor of 4 and the rate of tax at 10% of the annual value, including all arrears, till the final adjudication of the matter. However, as a matter of abundant caution, the Holding Company has provided for the property tax under the "Unit Area Scheme" based on the user factor of 10 and the rate of tax at 10% of the annual value up to financial year 2009-10 and 20% for the subsequent financial years. Such provision appears as expense under Rates and Taxes (Other Expenses) including for earlier years amounting to Rs. 1,417.12 Lakhs.

(e) Income Tax Department has raised a demand on Leading 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 payments. The Leading has appealed against the said order, which is pending adjudication. However, as a matter of abundant caution, the Group has provided for the same.

(f) Relating to an accident in the hotel Hyatt Regency Delhi premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, the Holding Company has been made one of the respondents. Any consequence on the outcome of the case can not be ascertained.

(g) Petitions have been filed against the grant of Environmental and Coastal Regulation Zone clearances to the Leading's project at Goa with the National Green Tribunal, which are being contested by Leading. The management of Leading 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.

(h) Several legal disputes, including a Public Interest Litigation have been initiated by the owners and/or tenants of the land acquired by Leading for its project at Goa and others over the Leading's right, 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 outcome of similar cases in the past, the management of Leading is hopeful of favourable outcomes and does not foresee them to have any material impact on the progress of its project.

B COMMITMENTS

31st March 2015 31st March 2014

(Rs. In Lakhs) (Rs. In Lakhs)

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for **5,128.42** 5,692.07

(b) Lease commitments

(i) Future commitments in respect of assets acquired under Finance Schemes:

Minimum installments	payable within one year	103.04	95.22
	later than one year but not later than five years	174.74	151.61

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26 CONTINGENT LIABILITIES AND COMMITMENTS (contd.)

		31 st March 2015	31 st March 2014
		(Rs. In Lakhs)	(Rs. In Lakhs)
Present value of minimum installments payable within one year		83.23	77.94
	later than one year but not later than five years	151.86	133.38
(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	78.23	48.60
	Later than one year and not later than five years	67.01	73.51
(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	146.62	95.97
	Later than one year and not later than five years	328.82	263.55
	More than five years	182.73	—

27 RELATED PARTY DISCLOSURES:

(a) Individuals and his relatives having control over the Group (either directly or indirectly)

- (i) Mr. Amritesh Jatia, Director
- (ii) Mr. 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

(c) Related Parties:

— Key Management Personnel	Mr. Shiv Kumar Jatia	Chairman & Managing Director
	Mr. Tapeshe Bharat Kumar Goenka	Joint Managing Director of Leading Hotels Limited
— Relatives of Key Management Personnel	Mr. Amritesh Jatia	Director and Son of Mr. Shiv Kumar Jatia
	Mrs. Archana Jatia	Director and wife of Mr. Shiv Kumar Jatia
	Mr. Raj Kumar Jatia	Brother of Mr. Shiv Kumar Jatia
	Mr. Ramesh Jatia	Brother of Mr. Shiv Kumar Jatia
	Mr. Dipendra Bharat Kumar Goenka	Brother of Mr. Tapeshe Bharat Kumar Goenka
— Entities controlled by Directors or their relatives (with whom transactions entered into during current year or previous year)	Ascent Hotels Private Limited, India	
	M/s. Bhasin & Co.	
	Binaguri Tea Company Private Limited	
	Energy Infrastructure (I) Limited	
	Deuchny Properties Limited, Mauritius	
	RSJ Holdings Limited, Mauritius	
	Magus Estates & Hotels Limited	

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(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 2015	31 st March 2014	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
Sale of Services (Room, Food, Beverages and other services)	–	–	–	–	40.67	1.90	40.67	1.90
Remuneration from the Company	153.68	149.78	–	–	–	–	153.68	149.78
Commission to Non-Executive Director from the Company	–	5.07	–	–	–	–	–	5.07
Directors' Sitting Fees from the Company	1.44	0.84	–	–	–	–	1.44	0.84
Professional Charges	–	–	–	–	4.36	6.27	4.36	6.27
Loan taken from	–	–	1.88	3.00	–	9.01	1.88	12.01
Repayment of Loan	–	95.18	–	–	–	1.03	–	96.21
Security Deposit Refunded (Interest free)	–	–	–	–	100.00	–	100.00	–
Expenses paid on behalf of the Group	–	–	–	–	–	–	–	–
Bad debts/ advances written off (net)	–	–	–	–	50.25	–	50.25	–
Redemption of NCPS	–	–	–	–	–	4,410.00	–	4,410.00
Balance Outstanding								
Payables	740.02	715.40	5.13	3.12	1,318.66	1,476.17	2,063.81	2,194.69
Receivables	–	–	–	–	2.97	110.85	2.97	110.85

- (i) The above related party transactions have been reviewed periodically by the Audit Committee and the Board of Directors of the Holding Company vis-à-vis the applicable provisions of the Act; 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 with the respective notes.

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

Particulars	31 st March 2015 (Rs. in Lakhs)	31 st March 2014 (Rs. in Lakhs)
Sale of Services (Room, Food, Beverages and other services)		
- Energy Infrastructure (I) Limited	0.28	0.52
- M/s. Bhasin & Co.	40.39	1.38
Remuneration from the Company		
- Mr. Shiv Kumar Jatia*	153.68	149.78
Commission to Non-Executive Director from the Company		
- Mr. Amritesh Jatia	–	3.13
- Mr. Ramesh Jatia	–	1.89
- Mr. Dipendra Bharat Kumar Goenka	–	0.05
Directors Sitting Fees from the Company		
- Mr. Amritesh Jatia	1.20	0.84
- Mrs. Archana Jatia	0.12	–
- Mr. Dipendra Bharat Kumar Goenka	0.12	–

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FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31 st March 2015 (Rs. In Lakhs)	31 st March 2014 (Rs. In Lakhs)
Professional Charges		
- M/s. Bhasin & Co.	4.36	6.27
Loan taken from		
- Finline Holdings Limited	1.88	3.00
- RSJ Holdings Limited	—	9.01
Repayment of Loan		
- Amritesh Jatia	—	95.18
- RSJ Holdings Limited	—	1.03
Security Deposit Refunded (Interest free)		
- Binaguri Tea Company Private Limited	100.00	—
Bad debts/ advances written off (net)		
- Magus Estates & Hotels Limited	23.22	—
- Ascent Hotels Private Limited	27.03	—
Redemption of NCPS		
- Magus Estates & Hotels Limited	—	4,410.00
Outstanding Payables		
- Mr. Shiv Kumar Jatia	102.75	102.75
- Mr. Raj Kumar Jatia	8.61	8.61
- Mr. Amritesh Jatia	626.72	602.10
- Mr. Dipendra Bharat Kumar Goenka	0.05	0.05
- Mr. Ramesh Jatia	1.89	1.89
- M/s. Bhasin & Co.	3.04	2.54
- Magus Estates & Hotels Limited	7.31	65.65
- Finline Holdings Limited	5.13	3.12
- RSJ Holdings Limited	8.31	7.98
- Binaguri Tea Company Private Limited	1,300.00	1,400.00
Outstanding Receivables		
- Ascent Hotels Private Limited	—	27.03
- Magus Estates & Hotels Limited	—	81.56
- M/s. Bhasin & Co.	2.07	0.43
- Energy Infrastructure (I) Limited	0.28	1.23
- Deuchny Properties Limited	0.62	0.60

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

* Figure for 31st March, 2015 is net of recovery of Rs. 8.47 Lakhs excess paid in earlier years.

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 consolidated statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 193.33 Lakhs (Previous Year Rs. 205.47 Lakhs)

(b) Defined benefit plans

- Contribution to Gratuity funds

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- 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 8.50% per annum (Previous Year 8.00% 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 summarised in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
Discount rate (per annum)	8.50%	8.50%	8.50%	8.50%
Future salary increase (per annum)	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				
- Upto 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 2015	31 st March 2014	31 st March 2015	31 st March 2014
		(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
1.	Expenses recognised in statement of profit and loss				
	Current service cost	42.78	43.82	21.32	23.89
	Interest cost	55.25	56.27	11.70	19.51
	Expected return on plan assets	—	—	—	—
	Net actuarial (gain)/loss recognised in the year	(11.01)	(113.32)	(18.58)	(105.32)
	Total expenses/ (income)	87.02	(13.23)	14.44	(61.92)
2.	Net asset/(liability) recognised as at the end of the year				
	Present value of defined benefit obligation	639.00	650.22	110.92	137.61
	Fair value of plan assets	—	—	—	—
	Funded status [surplus/(deficit)]	(639.00)	(650.22)	(110.92)	(137.61)
	Net asset/(liability) as at the end of the year	(639.00)	(650.22)	(110.92)	(137.61)

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

		Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
		31 st March 2015	31 st March 2014	31 st March 2015	31 st March 2014
		(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)	(Rs. In Lakhs)
3.	Change in the present value of obligation during the year				
	Present value of obligation as at the beginning of the year	650.22	704.78	137.61	243.91
	Interest cost	55.25	56.27	11.70	19.51
	Current service cost	42.78	43.82	21.32	23.89
	Benefits paid	(98.24)	(41.33)	(41.13)	(44.38)
	Actuarial (gains)/losses on obligation	(11.01)	(113.32)	(18.58)	(105.32)
	Present value of obligation as at the end of the year	639.00	650.22	110.92	137.61

29 UN-HEDGED FOREIGN CURRENCY EXPOSURE

- (a) Derivatives outstanding as at 31st March, 2015

Particulars

Purpose

Forward contract to buy US\$

Nil (Previous Year US\$ 5,816,502)

Hedge of future repayment of loans

{Nil (Previous Year Rs. 3,495.71 Lakhs)}

- (b) The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2015 and 31st March, 2014 is as under:

Particulars	31 st March 2015		31 st March 2014	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
Receivables				
(in USD)	617,781	386.67	1,290,808	775.77
(in EURO)	26,348	17.79	312,441	258.00
(in SGD)	–	–	243,420	115.90
(in GBP)	31,336	28.97	38,412	38.35
(in AED)	2,713	0.46	217,229	35.35
Payables				
Trade payables				
(in USD)	2,313,769	1,448.21	1,569,344	943.17
(in EURO)	1,552	1.05	11,099	9.17
(in GBP)	300	0.28	134	0.13
(in SGD)	1,176	0.54	–	–
(in SEK)	–	–	28,667	2.67
Other Loans and Payables (in USD)	1,345,524	842.17	1,322,838	795.02
Payable for capital goods (in USD)	616,519	385.88	105,379	63.33
Payable for capital goods (in SEK)	28,667	2.09	–	–
External Commercial Borrowings (ECBs) (in USD)	50,677,375	31,719.37	52,077,177	31,298.28
External Commercial Borrowings (ECBs) (in SGD)	23,688,197	10,807.74	23,688,197	11,278.76
Interest on ECBs (in USD)	1,315,398	823.32	1,186,415	713.03
Interest on ECBs (in SGD)	5,714	2.61	5,192	2.47

ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

30 SEGMENT REPORTING

The Holding Company and its subsidiaries operate only in one reportable segment, i.e. Hospitality/Hotel Business. While the 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 Act, the Holding Company has formed its 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 preceding three financial years.

- (a) Gross amount required to be spent by the Holding Company during the year is Rs. 76.88 Lakhs
- (b) 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. The CSR Committee has decided to contribute Rs. 59.45 Lakhs on the project, the details of expenditure is as follows:

Purpose of Project-Construction of asset	(Rs. In Lakhs)
Contribution in cash	15.00
Committed and provided but yet to be contributed	44.45
Amount paid/provided	59.45
Amount not yet provided/paid	17.43
TOTAL	76.88

32 Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements - 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	20.47	15,643.25	(94.99)	(4,817.81)
Subsidiaries				
Indian				
Leading Hotels Limited	13.29	10,160.91	(1.93)	(97.73)
Newtown Hospitality Private Limited	(1.94)	(1,482.06)	(3.01)	(152.87)
Foreign				
Fineline Hospitality & Consultancy Pte Limited, Mauritius	68.96	52,707.77	(0.24)	(11.95)
Lexon Hotel Ventures Limited, Mauritius	2.38	1,822.10	(0.21)	(10.53)
Minority Interests in all subsidiaries	(3.16)	(2,413.72)	0.38	19.38

33 OTHER NOTES

- (a) Due to inadequacy of profit in the Financial Year 2013-14, the minimum remuneration paid by the Holding Company to Mr. Shiv Kumar Jatia as Managing Director in terms of the shareholders' ordinary resolution dated 28th September, 2010, was in excess by an amount of Rs. 61.72 Lakhs of 5% of the net profit for that year. Consequently, the Holding Company made an application to the Central Government for requisite approval for waiver of recovery of the excess remuneration, which was rejected. However, the Holding Company has made a representation and is proposing to obtain shareholders' approval by means of a special resolution, in the forthcoming Annual General Meeting, seeking waiver of recovery of the excess remuneration. Since, the Holding Company has incurred loss in the Financial Year 2014-15, the minimum remuneration paid to Mr. Shiv Kumar Jatia as Managing Director in terms of the shareholders' ordinary resolution dated 28th September, 2010, exceeds

ASIAN HOTELS (NORTH) LIMITED

the remuneration payable in terms of Section II of Part II of Schedule V to the Companies Act, 2013, for which the Holding Company proposes to obtain shareholders' approval by means of a special resolution, in the forthcoming Annual General Meeting, seeking waiver of recovery of the excess remuneration of Rs. 20.64 Lakhs; and thereafter, will approach the Central Government for the requisite approvals.

(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 Holding Company has recognised deferred tax assets on employee benefits liabilities and other statutory liabilities, however, no deferred tax asset has been recognised in line with Accounting Standard (AS)-12 on "Accounting For Taxes on Income" on un-absorbed depreciation and carry forward losses in the absence of virtual certainty supported by convincing evidence, that the Group will have sufficient future taxable income against which such deferred tax can be realized.
- (c) The Lease rentals under an operating lease have not been recognised 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 realisation 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

"As per our report attached"

For MOHINDER PURI & COMPANY
Chartered Accountants
Firm Registration Number: 000204N

ON BEHALF OF THE BOARD OF DIRECTORS

VIKAS VIG
Partner
Membership Number: 016920

JYOTI SUBARWAL
President- Finance
& Operations
(Chief Financial Officer)

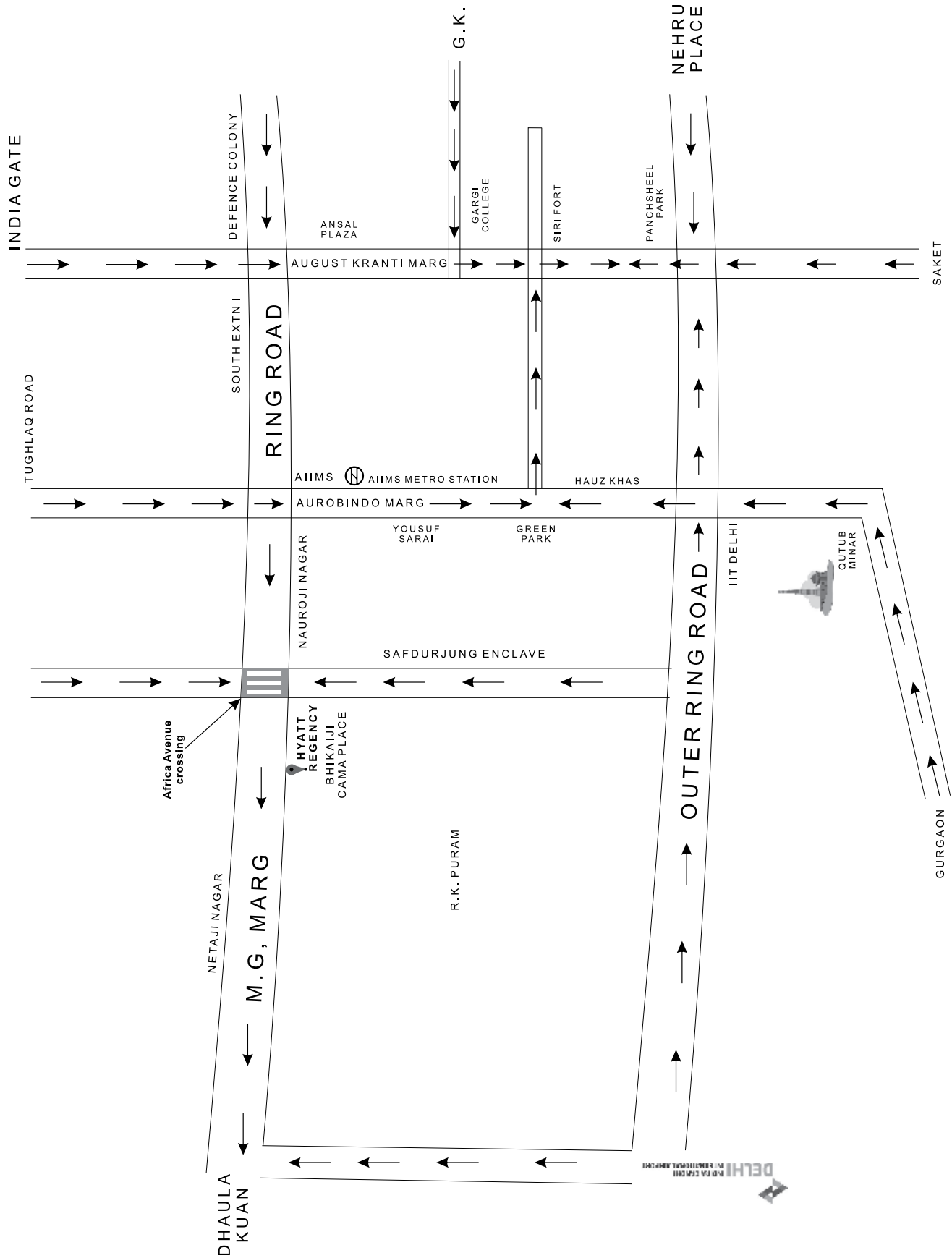
DR. LALIT BHASIN
Director
DIN: 00001607

SHIV KUMAR JATIA
Chairman & Managing Director
DIN: 00006187

Place: New Delhi
Dated: 28th May, 2015

DINESH KUMAR JAIN
Vice President (Corporate) &
Company Secretary
Membership Number: FCS 6224

AMRITESH JATIA
Director
DIN: 02781300



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 34th Annual General Meeting of the Company, to be held on Monday, the 21st September, 2015, 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	(a)	Adoption of the Audited Stand-alone Financial Statements of the Company for the financial year ended 31 st March, 2015	OR	
	(b)	Adoption of the Audited Consolidated Financial Statements of the Company for the financial year ended 31 st March, 2015	OR	
2		Re-appointment of Mr. Dipendra Bharat Goenka (DIN: 01969285) who retires by rotation and being eligible, offers himself for re-appointment	OR	
3		Appointment of Auditors	OR	
Special Business				
4		Adoption of a new set of Articles of Association of the Company	SR	
5		Appointment of Ms. Anita Thapar (DIN: 02171074) as Director	OR	
6		Appointment of Ms. Anita Thapar (DIN: 02171074) as whole-time Director designated as Executive Director - Administration & Corporate Co-ordination for a term of three years	SR	
7		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	SR	
8		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	SR	
9		Approval of payment of remuneration to the Managing Director for the financial year 2015-16 aggregating to Rs. 1,71,91,482/-	SR	
10		Re-appointment of Mr. Shiv Kumar Jatia (DIN: 00006187) as Managing Director of the Company	SR	
11		Authorisation under Section 181 of the Act to contribute up to Rs. 25,00,000/- in any financial year towards bona-fide and charitable funds/causes	OR	

Signed this day of 2015

.....
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. It is optional to put an 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all 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

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

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Website: www.asianhotelsnorth.com, e-mail id: investorrelations@ahlnorth.com