

S I X T H

*Annual*

*Report*

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

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**BOARD OF DIRECTORS**

Sushil Gupta	Chairman and Managing Director
Sudhir Gupta	Executive (Whole-Time) Director
Sandeep Gupta	Executive (Whole-Time) Director
Lalit Bhasin	Independent Non-Executive Director
S. K. Chhibber, IAS (Retd.)	Independent Non-Executive Director
Raj Kumar Bhargava, IAS (Retd.)	Independent Non-Executive Director
Surendra Singh Bhandari	Independent Non-Executive Director
Sunil Diwakar	Non-Executive Director
Rajesh Adhikary	Alternate Director to Mr. Sunil Diwakar

**COMPANY SECRETARY**

Nikhil Sethi

**AUDITORS**

S.S. Kothari Mehta & Co.  
Chartered Accountants  
146-149, Tribhuvan Complex,  
Ishwar Nagar, Mathura Road,  
New Delhi - 110065

**BANKERS**

Kotak Mahindra Bank Ltd.  
IDBI Bank Ltd.

**REGISTERED OFFICE & INVESTOR  
RELATIONS DEPARTMENT**

E Basement, Clarion Collection-The Qutab  
Hotel,  
Shaheed Jeet Singh Marg,  
New Delhi - 110016  
Tel No 011-46101208/46101210  
Fax: 011-46101202  
www.asianhotelswest.com

**DEBENTURE TRUSTEE**

IDBI Trusteeship Services Ltd.  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai - 400 001

**REGISTRAR & TRANSFER AGENTS**

Karvy Computershare Pvt. Ltd.  
Plot No. 17 to 24, Vithalrao Nagar,  
Madhapur, Hyderabad - 500 081  
Tel No. : 040-23420815-24  
Fax No : 040-23420814  
E Mail : mailmanager@karvy.com

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# ASIAN HOTELS (WEST) LIMITED

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Registered Office: E-Basement, Clarion Collection – The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110016

## NOTICE

Notice is hereby given that the Sixth Annual General Meeting of Asian Hotels (West) Limited will be held on Friday, 30th August, 2013 at 3.00 PM at Airforce Auditorium, Subroto Park, New Delhi 110010 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date along with the Auditors' Report and Directors' Report thereon.
2. To declare dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Sunil Vasant Diwakar who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Srikrishan Chhibber who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

M/s. S. S. Kothari Mehta & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment and have confirmed that their appointment, if made, will be within the limits specified in Section 224(1B) of the Companies Act, 1956.

**By order of the Board  
For Asian Hotels (West) Limited**

Place : New Delhi  
Date : 23rd July, 2013

**Nikhil Sethi  
Company Secretary**

### 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/HERSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members intending to send their authorized representative/(s) u/s 187 of the Companies Act, 1956 (the Act), are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
3. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
4. All the documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during office hours between 10.00 a.m. and 5.00 p.m. on all working days, for a period of twenty one days before the date of the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd August, 2013 till Friday, 30th August, 2013, inclusive of both days.
6. The dividend, if declared by the Company in the Annual General Meeting, will be paid to those members or to their mandates whose name stand registered as:
  - a) Beneficial owners as at the end of business on 22nd August, 2013, as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and
  - b) Members whose names stand in the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company, as at the end of business on 22nd August, 2013.
7. Shareholders who have not received and/or not encashed the dividend warrant(s) in respect of Dividend declared for the Financial Year 2009-10, Financial Year 2010-11 & Financial Year 2011-12 are requested to apply for duplicate dividend warrant(s) by writing to the Company/Registrar.
8.
  - a) Members are requested to notify the Registrar and Share Transfer Agent/Company change in their address, if any, with pincode, quoting their folio number.
  - b) Members holding shares in electronic form should notify any change in their residential address or bank details directly to their respective Depository Participants.
9. Non-Resident Indian Shareholders are requested to inform the Registrar & Share Transfer Agent / Company/ respective Depository Participant:
  - a) Particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not already intimated.
  - b) Change, if any, in their Residential status.

# ASIAN HOTELS (WEST) LIMITED

10. As per the circular no. CIR/MRD/DP/10/2013 dated 21st March, 2013 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 Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company prints the bank account details, if available, on the warrant for distribution of dividend. Therefore, to avoid any fraudulent encashment of warrants, the members are requested to furnish, quoting their folio number, following information to the Registrar & Share Transfer Agents/Company/respective depository participant so that requisite details could be printed on all future dividend warrants:
- Name of the Sole/First Joint Holder, and
  - Particulars of his/her Bank account, viz. account number, name of Bank and complete address of the Branch with Pincode Number.
11. As per the provisions of the Act, facility for making nominations in prescribed Form 2B, is available to individuals holding shares in the Company.
12. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Annual Report by e-mail and others are sent by post. Shareholders who have received Annual Report by e-mail and who wish to have printed Annual Report, can seek copy thereof from Company's Registrar & Transfer Agent M/s. Karvy Computershare Private Limited, Unit: Asian Hotels (West) Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 or Asian Hotels (West) Limited, E-Basement, Clarion Collection – the Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110016. The Notice of the AGM and copies of Audited Financial Statements, Directors Report, Auditors' Report etc will also be displayed on the website of the Company www.asianhotelswest.com and the other requirements of the aforesaid MCA circular will be duly complied with.
13. Shareholders are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.

## Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Mr. Sunil Vasant Diwakar	Mr. Srikrishan Chhibber
Date of Birth	22nd May, 1963	3rd April, 1920
Date of Appointment	10th August, 2010	23rd December, 2008
Expertise in specific functional areas	Mr. Sunil Vasant Diwakar is a Managing Partner at ILFS Investment Managers Limited (IIML) and has over 25 years of experience in the Indian Private Equity industry. In addition he has also worked in the aeronautical engineering industry for 3.5 years. Over the years, he has gained multi sector exposure in Manufacturing, Life sciences, I.T., Media & Retail Transaction.	Mr. Srikrishan Chhibber Retd. IAS Officer has held various portfolios during his tenure in the Central Government and was former Lt. Governor of Mizoram.
Qualifications	Masters degree in Production Technology from IIT, Madras; Diploma in International Management from IMI, New Delhi.	M.A.
Details of shares held in the Company	NIL	70
List of Companies in which outside Directorships held as on 31.03.2013 (excluding private & foreign companies)	<ol style="list-style-type: none"> <li>Bharat Fritz Werner Ltd.</li> <li>Electrosteel Steels Ltd.</li> <li>JBF Industries Ltd.</li> <li>JICS Logistics Ltd.</li> <li>Prasad Corporation Ltd.</li> <li>RSB Transmissions (I) Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>Mount Shivalik Breweries Ltd.</li> <li>Mount Shivalik Investment Ltd.</li> <li>Mount Shivalik Industries Ltd.</li> <li>Aria Hotels and Consultancy Services Pvt. Ltd., Subsidiary of Asian Hotels (West) Ltd.</li> </ol>
Chairman / Member of the Committees of other Companies on which he is a Director as on 31.03.2013	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>Bharat Fritz Werner Ltd.</li> <li>JBF Industries Ltd.</li> <li>Prasad Corporation Ltd.</li> <li>RSB Transmissions (I) Ltd.</li> </ol> <p><b>Remuneration &amp; Compensation Committee</b></p> <ol style="list-style-type: none"> <li>Prasad Corporation Ltd.</li> <li>RSB Transmissions (I) Ltd.</li> </ol> <p><b>Shareholders/Investor Grievance Committee</b></p> <ol style="list-style-type: none"> <li>JBF Industries Ltd.</li> </ol>	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>Aria Hotels and Consultancy Services Pvt. Ltd.</li> </ol>

# ASIAN HOTELS (WEST) LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 6th Annual Report and Audited Accounts for the Financial Year ended on 31st March, 2013 (i.e. for the period commencing from 1st April, 2012 to 31st March, 2013).

## OBJECTS, OPERATIONS AND FINANCIAL RESULTS

A summarized position of the profits, taxation, dividend, pay-out and transfer to reserves for the year under review, on standalone basis, is given below:

Particulars	(Rupees in Crores)	
	2012-13	2011-12
Income	130.92	135.78
Expenditure	117.30	116.38
<b>Profit Before Tax</b>	<b>13.62</b>	19.40
Provision for Taxation		
– Current Tax	4.55	5.82
– Deferred Tax Charge (Credit)	1.44	0.31
<b>Net Profit</b>	<b>7.63</b>	13.27
Amount Brought Forward	108.82	105.71
<b>Profit Available for Appropriation</b>	<b>116.45</b>	118.98
Transfer to General Reserve	0.57	1.35
Proposed Dividend on Equity Shares	2.29	4.58
Corporate Dividend Tax	0.39	0.73
<b>Transfer to Debenture Redemption Reserve</b>	<b>10.63</b>	3.50
<b>Surplus Carried Forward</b>	<b>102.57</b>	108.82
<b>Earnings Per Share – Basic (Rupees)</b>	<b>6.66</b>	11.58
<b>Earnings Per Share – Diluted (Rupees)</b>	<b>6.66</b>	11.58

## CONSOLIDATED FINANCIAL STATEMENTS

In terms of the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India a general exemption has been granted to the holding companies from attaching with their balance sheet a copy of the balance sheet, profit and loss account etc. of each of its subsidiaries subject to fulfillment of certain conditions.

The Board of Directors of the Company has approved availing of the benefit under the aforesaid circular. Accordingly, the members have been circulated standalone Financial Statement of the Company for the Financial Year 2012-13 alongwith Consolidated Financial Statement for the Financial Year 2012-13.

## DIVIDEND

The Board has recommended for approval of shareholders, a dividend of 20% (amounting to Rs. 2/- per Share) (Previous period dividend @ 40%) for the Financial Year ended 31st March, 2013 to be paid on 1,14,58,303 Equity Shares of the Company aggregating a distribution of Rs. 2.29 Crores (Previous period year Rs. 4.58 Crores).

## SUBSIDIARY COMPANIES

### A. ARIA HOTELS AND CONSULTANCY SERVICES PRIVATE LIMITED (ARIA)

The upcoming J. W. Marriott Hotel at the Hospitality District near the Indira Gandhi International Airport, New Delhi, being developed by Aria, is expected to be operational shortly. The opening of the Hotel has been delayed because of the additional security clearances required from Bureau of Civil Aviation Security (BCAS) and Dy. Commissioner of Police (Licensing), Delhi Police.

### B. INOVOA HOTELS AND RESORTS LIMITED

M/s Inovia Hotels and Resorts Limited (IHRL) presently owning and operating The Clarion Hotel, EPIP Zone, Whitefield, Bengaluru. The Clarion Hotel, Bengaluru is a Contemporary Boutique Hotel. Post the finalization of Financial Statements of the Company for the year ended 31st March, 2013, the company has entered into Share Purchase Agreement with M/s Fleur Hotels Pvt. Ltd. for sale of its entire investments in IHRL at an Enterprise Value of Rs. 64 Crore. Thus, after the aforesaid transaction, IHRL ceased to be subsidiary of the company. However, as during the Financial Year 2012-13 IHRL was the subsidiary of the company and accordingly the Consolidated Financial Statements of the company for the financial year 2012-13 includes Financial Statements of IHRL as well.

## BORROWINGS / GUARANTEES

### A. NON CONVERTIBLE DEBENTURES

On 25th June, 2010 the Company had issued 1000 Rated, Taxable, Secured, redeemable, Non - Convertible Debentures (NCDs) of the face value of Rs. 10 Lacs each, aggregating to Rs. 100 Crores, on private placement basis to Kotak Mahindra Bank Limited. The Company had appointed M/s IDBI Trusteeship Services Limited, Mumbai as the Debenture Trustee and M/s Karvy Computershare Pvt. Ltd. as Registrar and Transfer Agents in relation to the aforesaid NCDs. In terms of the issue of the aforesaid NCDs, during the Financial Year 2012-13 your Company has redeemed NCDs of the face value of Rs. 16 Crores. Total outstanding NCDs as on 31st March, 2013 is Rs. 63.25 Crores, which shall be redeemed by the Financial Year 2015-16 in unequal quarterly installments.

# ASIAN HOTELS (WEST) LIMITED

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## B. LOANS

- (i) The Company had availed secured loan of Rs. 45 Crores from Kotak Mahindra Bank Limited during Financial Year 2010-11. In accordance with the terms and conditions of the aforesaid loan, during the Financial Year 2012-13, the Company has partly repaid the above loan upto the extent of Rs. 8 Crores. The outstanding loan as on June 30, 2013 amounts to Rs. 25.50 Crores which shall be repaid by the Financial Year 2015-16 in unequal quarterly installments.
- (ii) During the year under review, the Company was Sanctioned additional borrowing facilities aggregating to Rs. 40 Crores from the Kotak Mahindra Bank Limited out of which Company has availed Rs. 33.85 Crores as on 31st March, 2013 repayable by way of 24 unequal quarterly installments starting from September 2014.

## C. GUARANTEES

- (i) During the period under review, the Company granted Corporate Guarantee(s) for import of Capital Goods under EPCG to customs authorities / DGFT for and on behalf of:
  - Aria Hotels and Consultancy Services Pvt. Ltd., Subsidiary of the Company for an aggregate amount of Rs. 28.35 Crores as on 31st March, 2013.
  - Inovia Hotels and Resorts Limited (IHRL), Subsidiary of the Company for replacement of Bank Guarantees furnished by IHRL for an aggregate amount of Rs. 0.44 Crores (Previous Year Rs. Nil).
- (ii) The Company also issued Corporate Guarantee aggregating to Rs. 37.50 Crores in favour of Kotak Mahindra Bank Ltd. for an on behalf of Inovia Hotels and Resorts Limited (IHRL), Subsidiary Company for availing of loan by IHRL.

However, pursuant to sale of investment in IHRL the Guarantee(s) issued on behalf of IHRL aggregating to Rs. 37.94 Crores are being released.

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

## FUTURE PROSPECTS

The Company is focusing at commencement of operations at Hotel J.W. Marriott Hotel, New Delhi as well as retaining market share in highly competitive Hotel market around Hyatt Regency, Mumbai.

## CHANGE IN REGISTERED OFFICE OF THE COMPANY

The company has shifted its registered office from E-5, Clarion Collection – The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016 to E- Basement, Clarion Collection – The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016 with effect from 1st June, 2013.

## AUDITORS

M/s. S. S. Kothari Mehta & Co. Chartered Accountants, the present Auditors of the Company, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. They have certified that their appointment, if made, will be in accordance with the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board of Directors of the Company has recommended their re-appointment.

## INTERNAL AUDIT

M/s KSMN & Co., Chartered Accountants, the internal auditors of the Company have conducted periodic audit of all operations of the Company. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

## DIRECTORS

In accordance with the requirement of the Companies Act, 1956 and pursuant to the Article 116 of the Articles of Association, two of your Directors viz. Mr. Sunil Vasant Diwakar and Mr. Srikrishan Chhibber retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

## DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

Pursuant to Section 217 (2AA) of the Act, your Directors confirm as under:

- that in the preparation of annual accounts for the year ended 31st March, 2013, the applicable Accounting Standards have been followed along with proper explanation relating to any 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 period under review and of the profit of the Company for that period;
- 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; and
- that the Directors have prepared the annual accounts on a going concern basis;

The significant accounting policies followed by the Company and the required disclosures are detailed in the Schedules to the annual accounts.

The Audit Committee of the Board of Directors reviewed the financial statements, prepared in accordance with revised Schedule VI of the Companies Act, 1956 for the year under review at its meeting held on 28th May, 2013 and recommended the same for the approval of the Board of Directors.

## INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to the conservation of energy, technology absorption, foreign exchange earnings and outgo are to the extent possible, in the opinion of your Directors, given in Annexure 'A' annexed hereto.

# ASIAN HOTELS (WEST) LIMITED

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## PERSONNEL

Your Directors wish to appreciate the dedicated efforts and hard work of personnel at all levels that has made the existing results possible. Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of this Report, is given in Annexure 'B'.

## CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance for the Financial Year 2012-13 together with Auditor's Certificate on Corporate Governance is appended to the Annual Report as Annexure 'C' and 'D' respectively.

## MANAGEMENT DISCUSSION AND ANALYSIS

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

### Industry Structure, Development & Outlook

For the last few years the Indian tourism sector has been one of the largest service industries in the country in terms of its contribution to the Gross Domestic Product (GDP) and Foreign Exchange Earnings, as well as for providing employment to millions. Now days, tourism and hospitality sector have become the most vibrant tertiary's and has a strong hold on the economy. Tourism sector has contributed approx 6.23 per cent to the national gross domestic product (GDP) and approx 8.78 per cent of the total employment in India. Moreover, India stands 42nd in the world rankings in terms of foreign tourist arrivals (FTAs) in the country, according to a report titled 'Competitiveness of Tourism Sector in India with Selected other Countries of the World' by Ministry of Tourism. The World Travel and Tourism Council (WTTC) named India as one of the fastest growing tourism industries for the next 10 to 15 years.

Tourism in India is witnessing widespread growth on the back of increasing inbound tourism by the burgeoning Indian middle class, rising inflow of foreign tourists and successful government campaigns for promoting 'Incredible India'. Infrastructure development holds the key to India's sustained growth in the Tourism sector. Significantly, the country has the potential to become a major global tourist destination, with the Tourism sector expected to contribute around INR 3,414.8 billion (US\$ 77.0 billion) by 2021. India is currently ranked 12th in the Asia Pacific region and 68th overall in the list of the world's attractive destinations. Foreign tourist arrivals in the country have increased substantially during the past decade motivated by both, business and leisure needs and are further expected to grow at a compound annual growth rate (CAGR) of around 8 per cent during 2010-2014.

Hotels are an important component of the tourism sector. They contribute in the overall tourism experience through the standards of facilities and services offered by them. The constant transformation has made the Indian hotel industry more functional and practical and has gained a level of acceptance world over. The standards of facilities and services offered have evolved over the last decade towards the extensive use of technology, environment friendly services, pricing, market segmentation, regional preferences, etc. The Indian hotel industry has seen a significant growth in room inventory across categories from upscale luxury to limited services and boutique & budget hotels. The occupancy has seen continued gains both from the domestic and the international traveler in both the business and leisure segment. However, because of increase in inventory as well as current economic position, there is pressure on room rate. With the continued growth in India's GDP, improvement in the per capita income and increased aspirational spending, the Indian hospitality sector is expected to grow much faster than most countries around the world.

Indian tourism and hospitality sector has reached new heights today. Travelers are taking new interests in the country which leads to the upgrading of the hospitality sector. Even an increase in business travel has driven the hospitality sector to serve their guests better. Hospitality Industry is closely linked with travel and tourism industries. Ministry of Tourism, Government of India is making efforts through its new campaign for raising additional footfalls.

### Opportunities, Threats, Risks and Concerns

Hotels form one of the most important support service that affect the arrival of tourist to a country. The strengths of the industry includes that India is one big package of culture and legend that never fails to captivate the imagination of the visitor. It provides vast natural and cultural diversity, the manpower costs in the Indian hotel industry is one of the lowest in the world. The demand for tourists is also easily managed. The peak season in the country is from September to March. Over the long term, the hotel industry has growth potential. When it comes to diverse topography, India is one of the best. One can find threats also in ways like, most of the hotels in India are now being replaced by guest hotels. The trend for guest hotels is increasing and so the hotel industry can be greatly affected. Tourists also have second thoughts about visiting India because of the political turbulence here. There is a shortage of trained manpower and growth of tourism industry is directly linked to economic conditions in India and global markets and any slowdown in national and international markets directly affect the occupancy.

### Review of Operational and Financial Performance

The Company has achieved an aggregate turnover of Rs. 130.92 Crores (Previous period Rs. 135.78 Crores) for the financial year ended on 31st March, 2013. Profit after taxes for the year under review was Rs. 7.63 Crores (Previous period Rs. 13.27 Crores).

### Segment wise Performance

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

### Internal Control Systems and their Adequacy

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

### Human Resources and Industrial Relations

Smooth Industrial Relations and effective Human Resource Management are the key factors contributing towards success in the industry. As our company is part of the hospitality industry the importance of efficient and motivated human resources helps in achieving complete customer satisfaction, which in turn has direct impact on the brand image and turnover of the company. The Company enjoys harmonious relationship with its employees. The employee strength of the Company, as on 31st March, 2013 was 671.

# ASIAN HOTELS (WEST) LIMITED

## ACKNOWLEDGEMENT

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

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

Place : New Delhi  
Dated : 23rd July, 2013

Sushil Gupta  
Chairman and Managing Director

## ANNEXURE – A FORMING PART OF THE DIRECTORS' REPORT PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

### A) CONSERVATION OF ENERGY

S. No.	Energy conservation measure taken during the year 2012-13	Impact (savings in Lac Rs. per annum)
1.	Heat Pump installation for hot water generator	35.00
2.	Wind power benefit from 3rd party power purchase	30.00
S. No.	Additional Investment – proposal for the year 2013-14	Impact (savings in Lac Rs. per annum)
1.	Replacement of AR 111 lamps with LED lamps in Banquet	7.00
2.	Replacement of halogen lamps in public area with 6.5 W LED lamp	9.00

### B) TECHNOLOGY ABSORPTION

In the Opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 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

- The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- Foreign exchange earnings (on receipt basis) have shown a downfall considering the global meltdown and the recession in the economies across the world. Current period earnings amounted to Rs. 64.54 Crores (Rs. 75.66 Crores in previous period) against which the outgo in foreign exchange was equivalent to Rs.16.13 Crores (Rs. 15.40 Crores in previous period).
- Details of foreign exchange earnings and outgo are given at Note 42 to the Balance sheet and Profit and Loss Account of the Company for the financial year ended on 31st March, 2013.

## ANNEXURE B FORMING PART OF THE DIRECTORS' REPORT

### PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956 (FINANCIAL YEAR 2011-12)

S. No.	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (IN RS.)	QUALIFICATION	EXPERIENCE (YRS)	DATE OF COMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD / DESIGNATION / PERIOD
<b>EMPLOYED THROUGHOUT THE YEAR</b>								
1	Sushil Gupta	70	Chairman & Managing Director	96,07,600	F.S.C., CHA	50	10.04.1981	Industrialist
2	Aseem Kapoor*	44	General Manager, Hyatt Regency Mumbai	1,12,86,576	Diploma in Hotel Management, IHM Mumbai	24	01.06.2008	Resident Manager, Park Hyatt Dubai (3 Yrs)
3.	Sudhir Gupta	54	Executive (Whole-time) Director	82,56,000	B.Com	30	10.05.2010	Industrialist
4.	Sandeep Gupta	44	Executive (Whole-time) Director	85,82,312	B.Com(Hons) SRCC, New Delhi, MBA from Notre Dame University, USA., Specializing in Finance & Marketing, PDP – Cornell University	22	10.05.2010	Hotelier

\* Mr. Aseem Kapoor ceased to be General Manager, Hyatt Regency Mumbai w.e.f. 25th May, 2013.

- Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to pension fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax Rules, Performance incentive, Ex-gratia payments and Commission to Chairman & Managing Director. Performance incentives and Ex-gratia payments to the executives and commission to Chairman & Managing Director and Executive (Whole-time) Directors are included on payment basis.
- All the appointments except that of Mr. Aseem Kapoor are on contractual basis.
- Mr. Sushil Gupta, Chairman and Managing Director of the Company, is brother of Mr. Sudhir Gupta Executive (Whole-time) Director of the Company and is father of Mr. Sandeep Gupta, Executive (Whole time) Director of the Company. Mr. Aseem Kapoor is not related to any of Directors of the Company.

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE "C" FORMING PART OF DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### Company's Philosophy on Corporate Governance

The Company is totally committed to providing the shareholders and other stakeholders with an insight into the working of the Company and acknowledges the importance of practicing good Corporate Governance while conducting its business, for creation of wealth for shareholders.

The status of compliance with Clause 49 of the Standard Listing Agreement for the Financial Year 2012-13 is enumerated herein below:

#### Board of Directors

As on the date of this report, the Board of Directors of the Company comprises of Eight Directors, excluding an Alternate Director, out of which four are Independent and Non-Executive Directors and one Non-Executive Director and remaining three are Whole-time Directors.

Mr. Sushil Gupta is Chairman and Managing Director of the Company. In terms of the requirements of Clause 49 of the Listing Agreement, at least fifty percent of the Board comprises of Independent Non-Executive Directors.

The Company is following prescribed Board procedures and provided detailed notes in advance on all the businesses proposed to be dealt with at the Board Meetings. The Board meets at least once every quarter with a maximum gap of four months between meetings. During the period under review, 5 meetings of the Board of Directors took place. These meetings were held on 10th May, 2012; 3rd August, 2012; 12th September, 2012; 8th November, 2012; 13th February, 2013.

Pursuant to the provisions of Clause 49, the composition of the Board, details of Directorships held, committee membership / chairmanship held, and attendance of the Directors at the Board meetings and at the last Annual General Meeting is given below:

S. No.	Name of the Director	Category	No. of Board Meetings Attended	Last AGM attended	No. of Other Directorships held in Private Companies	No. of Other Directorships held in Public Companies	No. of Committee Memberships in other Public Companies	No. of Chairmanships in such Committees
1.	Mr. Sushil Gupta	Chairman & Managing Director	5	Yes	4	2	–	–
2.	Mr. Raj Kumar Bhargava	Independent Non-Executive	5	Yes	1	6	7	4
3.	Mr. Srikrishan Chhibber	Independent Non-Executive	5	Yes	1	3	1	–
4.	Mr. Lalit Bhasin	Independent Non-Executive	5	Yes	1	8	6	1
5.	Mr. Surendra Singh Bhandari	Independent Non-Executive	4	No	–	3	4	2
6.	Mr. Sudhir Gupta	Executive (Whole - time) Director	5	Yes	–	1	–	–
7.	Mr. Sandeep Gupta	Executive (Whole - time) Director	4	Yes	3	1	1	–
8.	Mr. Sunil Vasant Diwakar	Non-Executive	–	No	–	6	5	–
9.	Mr. Rajesh Adhikary*	Non- Executive	5	Yes	4	0	1	–

\* Alternate Director to Mr. Sunil Vasant Diwakar, Director of the Company.

#### Committee of Directors

The following Committees of the Board of Directors of the Company have been constituted: -

##### a) Audit Committee:

The Audit Committee of the Board of Directors of the Company comprise of three Independent & Non – Executive Directors, namely Mr. Raj Kumar Bhargava, Mr. Lalit Bhasin and Mr. Surendra Singh Bhandari.

The Committee functions under the chairmanship of Mr. Raj Kumar Bhargava, a Retired IAS Officer, who has held various portfolios during his tenure in the Central Government and has adequate knowledge of the finance and accounts function.

The terms of reference and the powers of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 (the Act).

The Chairman and Managing Director is the permanent invitee to the Audit Committee meeting. The Company Secretary acts as Secretary to the Committee.

During the year under review, four meetings of the Audit Committee were held on 10th May, 2012; 3rd August, 2012; 8th November, 2012; 13th February, 2013 attendance details of which are as under:

# ASIAN HOTELS (WEST) LIMITED

Name of the member	Category	No. of Audit Committee meetings attended
Mr. Raj Kumar Bhargava	Independent, Non-Executive	4
Mr. Lalit Bhasin	Independent, Non-Executive	3
Mr. Surendra Singh Bhandari	Independent, Non-Executive	4

## b) Share Transfer & Shareholders Grievance Committee:

The Share Transfer & Shareholders Grievance Committee of the Board of Directors comprise of three Independent Non-Executive Directors, namely, Mr. Srikrishan Chhibber, Mr. Raj Kumar Bhargava and Mr. Lalit Bhasin. The Company Secretary is the Compliance Officer of the Company and acts as Secretary to the Committee.

The committee functions under the Chairmanship of Mr. Srikrishan Chhibber.

Besides monitoring and approving bulk transfers, transmissions, splits and consolidation of shares and issuance of duplicate shares, it also pursues status of redressal of shareholders' grievances.

The Company received 63 complaints during the period, which have been resolved and/or appropriately replied to. None of the investor complaints is lying unresolved at the end of the Financial Year.

During the year under review, four meetings of the Share Transfer & Shareholders Grievance Committee were held on 10th May, 2012; 3rd August, 2012; 8th November, 2012; 13th February, 2013 attendance details of which are as under:

Name of the member	Category	No. of Share Transfer Committee meetings attended
Mr. Srikrishan Chhibber	Independent, Non-Executive	4
Mr. Raj Kumar Bhargava	Independent, Non-Executive	4
Mr. Lalit Bhasin	Independent, Non-Executive	3

## c) Remuneration Committee / Remuneration

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

The terms of reference of the Committee is to determine, on behalf of the Board, the Company's policy governing remuneration payable to Whole-Time Directors and recommend their remuneration subject to requisite approvals. On the recommendations of the Committee, the Board, subject to requisite approvals, decides the remuneration of the Whole-Time Directors. The Remuneration package of the Whole-Time Directors comprises of a fixed component viz. salary, perquisites and allowances and a variable component viz. commission on profits.

The Committee functions under the chairmanship of Mr. Lalit Bhasin a senior Lawyer of repute with over 51 years of experience in Legal matters.

During the year under review, one meeting of the Remuneration Committee was held on 22nd December, 2012, which was attended by all the members of the Committee.

Pursuant to the approval of the shareholder at the Third Annual General Meeting of the Company, the Non-Executive Directors are collectively entitled to commission at the rate of 1% of the net profits of the Company (computed under Section 349 and 350 of the Act) subject to a maximum of Rs. 5,00,000/- (Rupees Five Lacs only) per year per Non-Executive Director. 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. No stock options were offered to the Directors or Executives of the Company.

Details of remuneration paid / payable to the Directors for the Financial Year under review are given below:

(Amount in Rs.)

Name of the Directors	Salary including perquisites	Commission (payable)	Sitting Fees	Total
Mr. Sushil Kumar Gupta*	96,07,600	-	-	96,07,600
Mr. Srikrishan Chhibber	-	3,16,400	1,08,000	4,24,400
Mr. Raj Kumar Bhargava#	-	3,16,400	1,68,000	4,84,400
Mr. Lalit Bhasin	-	3,16,400	1,44,000	4,60,400
Mr. Surendra Singh Bhandari	-	3,16,400	1,08,000	4,24,400
Mr. Sunil Diwakar	-	-	-	-
Mr. Rajesh Adhikary\$	-	3,16,400	60,000	3,76,400
Mr. Sudhir Chamanlal Gupta*	82,56,000	-	-	82,56,000
Mr. Sandeep Gupta*	85,82,312	-	-	85,82,312
<b>TOTAL</b>	<b>2,64,45,912</b>	<b>15,82,000</b>	<b>5,88,000</b>	<b>2,86,15,912</b>

\* Mr. Sushil Kumar Gupta was appointed as Chairman and Managing Director for a term of five years ending 31st October, 2014 and Mr. Sudhir Chamanlal Gupta and Mr. Sandeep Gupta were appointed as Executive (Whole-time) Director for a term of five years ending 9th May, 2015.

\* During the financial year, in terms of requirement of Clause 1(C) of Section II of Part II of Schedule XIII to the Companies Act,

# ASIAN HOTELS (WEST) LIMITED

1956 the Company has obtained shareholders approval, by way of Postal Ballot, for payment of remuneration to the Managerial Personnel in the absence of adequate profits. Subsequent thereto, the Company has made application(s) with the Central Government for its approval, which is still awaited.

§ Alternate Director to Mr. Sunil Vasant Diwakar, Director of the company.

Details of shareholdings of the Non-Executive Directors of the Company as on 31st March, 2013 are as under:

Name of Director	Category	Shareholding as on 31st March, 2013	% age of Total Shareholding
Mr. Raj Kumar Bhargava	Independent Non- Executive	3826	0.03
Mr. Srikrishan Chhibber	Independent Non- Executive	70	0.00
Mr. Lalit Bhasin	Independent Non- Executive	NIL	NIL
Mr. Surendra Singh Bhandari	Independent Non- Executive	NIL	NIL
Mr. Sunil Vasant Diwakar	Non Executive	NIL	NIL
Mr. Rajesh Adhikary	Non-Executive	NIL	NIL

## General Body Meetings: -

The details of the Last Three Annual General Meetings held by the Company are given below:

Financial Year	Venue	Date	Time
2009-10	Airforce Auditorium, Subroto Park, New Delhi 110010	18.09.2010	3.30 P.M
2010-11	Airforce Auditorium, Subroto Park, New Delhi 110010	02.08.2011	3.00 P.M
2011-12	Airforce Auditorium, Subroto Park, New Delhi 110010	02.08.2011	3.00 P.M

At the 3rd Annual General Meeting of the Company held on 18th September, 2010 the shareholders of the Company approved a Special Resolution regarding payment of Commission to Directors other than the Managing and Executive (Whole time) Directors of the Company and the said special resolution was unanimously passed by a show of hands by the Members of the Company present and voting at the said meeting.

## Postal Ballot

The company had successfully completed the process of obtaining the approval of its Members vide Postal Ballot on the following resolutions during the year:

- Resolution No. 1** - Special Resolution for Payment of salary, allowances and incentives, provision of perquisites and other benefits to Mr. Sushil Kumar Gupta, Managing Director for the period from 1st April, 2012 to 30th October, 2014 in the absence of adequate profits for the respective financial years.
- Resolution No. 2** - Special Resolution for Payment of salary, allowances and incentives, provision of perquisites and other benefits to Mr. Sudhir Chamalal Gupta, Executive (Whole-time) Director for the period from 1st April, 2012 to 31st March, 2015 in the absence of adequate profits for the respective financial years.
- Resolution No. 3** - Special Resolution for Payment of salary, allowances and incentives, provision of perquisites and other benefits to Mr. Sandeep Gupta, Executive (Whole-time) Director for the period from 1st April, 2012 to 31st March, 2015 in the absence of adequate profits for the respective financial years.

M/s K K Malhotra & Company, Practicing Company Secretaries, were appointed as the Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner.

## Voting Pattern and Procedure for Postal Ballot:

- The Board of Directors of the Company had passed a resolution by circulation on 24th December, 2012 and appointed M/s K K Malhotra & Company, Practicing Company Secretaries as Scrutinizer for conducting the postal ballot process for the aforementioned resolutions respectively.
- The postal ballot forms were kept under their safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- The company had completed on 10th January, 2013 the dispatch of postal ballot forms alongwith postage prepaid business reply envelope to its Members whose name(s) appeared on the Register of Members/list of beneficiaries as on 1st January, 2013.
- Particulars of all the postal ballot forms received from the Members had been entered in a register separately maintained for the purpose.
- The postal ballot were duly opened in their presence and scrutinized and the shareholding was matched/confirmed with the register of Members of the Company/list of beneficiaries as on 1st January, 2013.
- All the postal ballot forms including those done through E-voting platform by the shareholders received upto the close of the working hours on 9th February, 2013, being the last day and time fixed by the Company for the receipt of the forms, had been considered by them for their scrutiny for the postal ballot.
- No envelopes containing postal ballot forms were received after 9th February, 2013.
- The results of the Postal Ballot were announced on 11th February, 2013 at the registered office of the company as per the Scrutinizer's Report as under:

# ASIAN HOTELS (WEST) LIMITED

Particulars	Resolution No. 1	Resolution No. 2	Resolution No. 3
No. of Valid votes polled	7003857	7003557	7003627
Votes cast in favour of the resolution	6997427	6997129	6997109
Votes cast against the resolution	6430	6446	6518

Accordingly, the Special Resolutions set out in the Notice dated 1st January, 2013 were duly approved by the requisite majority of the Members.

No resolution is required to be put through a postal ballot at the ensuing Annual General Meeting.

## Code of Conduct

The Board of Directors of the Company has laid down a Code of Conduct applicable to all Board Members and Senior Management Personnel and they have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Chairman and Managing Director of the Company is annexed to this report.

## Material Disclosures

### • Related Party Transaction

In compliance with the Accounting Standard – 18, transactions pertaining to related parties are given under Note 36 to the Balance Sheet as at 31st March, 2013, and the Profit & Loss Account for the period ended on that date.

### • Legal Compliances

There has been no significant non-compliance by the Company since its incorporation. The Company has an elaborate reporting system on compliances of all major laws applicable to the Company.

### • Risk Assessment and Minimisation Procedures

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

### • 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.

### • Whistle Blower Policy

Though the Company does not have a formal Whistle Blower Policy the employees still can raise their concern relating to fraud, malpractice or any other activity or event which is against Company interest. No employee has been denied access to the Audit Committee in this regard.

### • CEO/CFO Certification

A certificate, in accordance with the requirements of Clause 49 V of the Listing Agreement, duly signed by the Chairman and Managing Director in respect of the year under review was placed before the Board and taken on record by it.

## Means of Communication

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

• Half-Yearly report sent to each shareholder:	:	No. The financial results are displayed on the Company's website.
• Publication of Quarterly results Which newspaper normally published in	:	Yes.
	:	1) Business Standard/Financial Express (English)
	:	2) Business Standard/Jansatta (Hindi)
• Any website where displayed	:	As mentioned above, the financial results and other statutory reports are uploaded on the Company's website.
Whether it also displays official news Releases	:	Yes
Presentation made to the institutional investors or the analysts	:	Shall be displayed as and when it happens
• Management Discussion and Analysis is part of Annual Report.	:	Yes, it is a part of the Directors' Report.

## Shareholder Information

Annual General Meeting

Day, Date & Time : Friday, 30th August, 2013 at 3.00 p.m.

# ASIAN HOTELS (WEST) LIMITED

Venue : Air Force Auditorium, Subroto park, New Delhi 110010

## Financial Calendar

The financial calendar for the Financial Year 2013-14 is proposed as under:

Financial Reporting for the quarter ending 30th June, 2013	2nd week of August, 2013
Financial Reporting for the half year ending 30th September, 2013	2nd week of November, 2013
Financial Reporting for the third quarter ending 31st December, 2013	2nd week of February, 2014
Financial Reporting for the year ending 31st March, 2014	End May, 2014

Book Closure	Friday, 23rd August, 2013 till Friday, 30th August, 2013, inclusive of both days
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Dividend Payment Date : 2nd – 3rd week of September, 2013.

Listing on Stock Exchanges : Bombay Stock Exchange Ltd,  
National Stock Exchange of India Ltd, and  
The Company has paid Annual Listing Fees to the Stock Exchanges.

Stock Code : BSE - 533221, NSE - AHLWEST

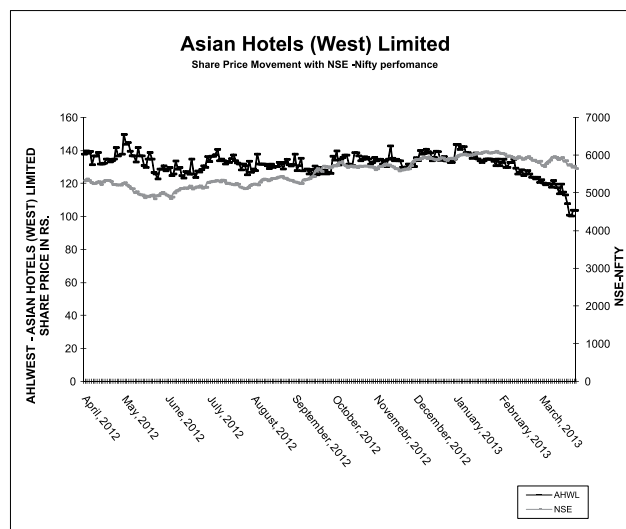
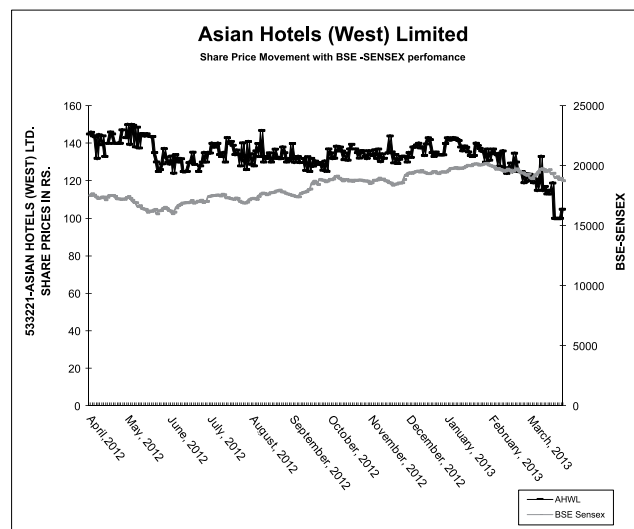
## Stock Market Data

The monthly high and low quotations, as well as the volume of shares traded at BSE and NSE for the period from 1st April, 2012 to 31st March, 2013 are given below:

Month	BSE			NSE		
	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.)
April, 2012	147.15	125.05	9012	142.00	125.50	12085
May, 2012	149.95	118.00	40387	149.95	118.20	27271
June, 2012	135.25	101.00	37645	136.50	101.00	52624
July, 2012	143.00	122.65	22413	140.90	120.75	103596
August, 2012	146.85	120.20	8488	138.00	125.10	29035
September, 2012	139.90	121.00	16450	138.00	117.50	75975
October, 2012	139.45	125.85	47721	139.95	124.00	81964
November, 2012	143.90	126.40	6706	143.00	127.60	11934
December, 2012	142.90	128.75	21737	140.95	128.25	18619
January, 2013	142.90	129.00	20007	143.90	129.50	66231
February, 2013	136.95	114.00	8434	134.95	114.70	14720
March, 2013	133.00	90.05	24344	122.50	92.95	17514

Source: www.bseindia.com and www.nseindia.com

Further, Share Price Performance in comparison to BSE SENSEX and NSE S&P CNX NIFTY for the period from 1st April, 2012 to 31st March, 2013 is given below.



# ASIAN HOTELS (WEST) LIMITED

## PRICE COMPARISON CHARTS

### Distribution of shareholders

Number of equity shares held	As on 31st March, 2013				As on 31st March, 2012			
	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding
Upto 500	16394	96.78	885990	7.73	17921	96.87	984758	8.59
501-1000	304	1.79	218021	1.90	325	1.76	233089	2.03
1001-2000	106	0.63	149878	1.31	119	0.64	168542	1.47
2001-3000	42	0.25	102929	0.90	36	0.19	87571	0.76
3001-4000	15	0.09	53739	0.47	16	0.09	56764	0.50
4001-5000	6	0.04	27507	0.24	14	0.08	62392	0.54
5001-10000	23	0.14	157546	1.37	25	0.14	171107	1.49
10000 - above	49	0.29	9862693	86.07	44	0.24	9694080	84.60
<b>TOTAL</b>	<b>16939</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>	<b>18500</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

### Category wise shareholding

CATEGORY	As on 31st March, 2013		As on 31st March, 2012	
	No. of shares held	% age of Shareholding	No. of shares held	% age of Shareholding
<b>A. Promoters Shareholding (Gupta Group)</b>				
- Indian	1420872	12.40	1420872	12.40
- Foreign	5468380	47.72	5336880	46.81
<b>Total Promoters shareholding</b>	<b>6889252</b>	<b>60.12</b>	<b>6889252</b>	<b>60.12</b>
<b>B. Public Shareholding</b>				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	127834	1.12	265029	2.31
- FII's	6719	0.06	23440	0.20
- NRI's	907730	7.92	1021142	8.91
- Bodies Corporate (Domestic)	1178380	10.28	1036250	9.04
- Individuals (Indian Public)	2327173	20.31	2200408	19.20
- Clearing Members	2375	0.02	3942	0.03
- Foreign Bodies	18840	0.16	18840	0.16
<b>Total Public shareholding</b>	<b>4569051</b>	<b>39.87</b>	<b>4569051</b>	<b>39.85</b>
<b>GRAND TOTAL</b>	<b>11458303</b>	<b>100.00</b>	<b>11458303</b>	<b>100.00</b>

### Share Transfer System

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

- Share Transfer and Shareholders Grievances Committee comprising of Directors and
- Executive Share Transfer Committee comprising of executives of the Company.

In compliance with the Listing Agreement, the transfer of shares received in physical form are approved and given effect to every fortnight.

### Share Transfer Agent

Karvy Computershare Pvt Limited  
 "Karvy House"  
 Plot no. 17 to 24, Vithalrao Nagar,  
 Madhapur, Hyderabad-500081  
 Website : www.karvy.com  
 Tel No. 040-23420815-24  
 Fax No. 040-23420814  
 e-mail : mailmanager@karvy.com

Karvy Computershare Pvt Limited  
 105-108 Arunachal Building, 1st Floor  
 19, Barakhamba Road  
 New Delhi-110001  
 Telephone No. 011-23324401/23324409  
 e-mail : delhi@karvy.com

### Dematerialisation of Shares

11107777 equity shares (equivalent to 96.94%) of the total equity shares of the company are held in dematerialized form as on 31st March, 2013.

# ASIAN HOTELS (WEST) LIMITED

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## ADRs/GDRs/Warrants or any convertible instruments

During the year, the Company has not issued any ADRs/GDRs/Warrants or any convertible instruments.

## Dividend Information:

No amount is required to be deposited with the Investor Education and Protection Fund during the year under review nor any amount is required to be transferred to the Investor Education and Protection Fund during the current financial year.

## Plant Locations

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

### HYATT REGENCY, MUMBAI

Sahar Airport Road,  
Andheri East, Mumbai-400099.

## Address for Correspondence

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

## Registered Office

### ASIAN HOTELS (WEST) LIMITED

E-Basement, Clarion Collection, The Qutab Hotel,  
Shaheed Jeet Singh Marg, New Delhi – 110016  
Telephone No.011-46101208/46101210  
Fax No. 011-46101202  
Email Id. nikhil.sethi@asianhotelswest.com

## Details of unclaimed shares in terms of Clause 5A of Listing Agreement

In terms of Clause 5A of the Listing Agreement, the details of unclaimed shares lying in Demat Suspense Account are as under:

S.No.	Particulars	No. of shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at beginning of the year.	848 number of shareholders and the outstanding shares are 69,847.
2.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	Nil
3.	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	848 number of shareholders and the outstanding shares are 69,847.

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

Adoption of Non-Mandatory Requirements	:	Besides constituting the Remuneration Committee, the Company has so far not implemented other non-mandatory requirements of the Code of Corporate Governance.
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# ASIAN HOTELS (WEST) LIMITED

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## ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

23<sup>rd</sup> July, 2013

The Board of Directors  
Asian Hotels (West) Limited  
E-Baseament, Clarion Collection - The Qutab Hotel,  
Shaheed Jeet Singh Marg,  
New Delhi – 110016

**Subject: Code of Conduct – Declaration under Clause 49 (I) (D)**

Dear Sirs,

This is to certify that pursuant to Clause 49(I)(D) of the Listing Agreement, the Board of Directors has adopted a Code of Conduct for its members and Senior Management personnel and that they have affirmed having complied with the said Code of Conduct for the 12 months period ended 31st March, 2013.

**FOR ASIAN HOTELS (WEST) LIMITED**

**SUSHIL GUPTA  
CHAIRMAN AND MANAGING DIRECTOR**

## ANNEXURE 'D' TO DIRECTORS' REPORT

### **CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To

The Members of Asian Hotels (West) Limited.

We have examined the compliance of the mandatory conditions of Corporate Governance by Asian Hotels (West) Limited during the Financial Year ended on 31st March, 2013 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 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 state that in respect of investor grievance received during the year ended 31st March, 2013 no investor grievances are pending for a period exceeding one month against the Company as per the records available with the Company.

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 D.S. Associates  
Company Secretaries**

Place : New Delhi  
Date : 23rd July, 2013

**Dhawal Kant Singh  
Proprietor  
CP No.: 7347**

# ASIAN HOTELS (WEST) LIMITED

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## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Asian Hotels (West) Limited**

### **Report on the Financial Statements**

We have audited the accompanying Financial Statements of Asian Hotels (West) Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and Notes to Financial Statements comprising of a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal controls 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, 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.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Emphasis of Matter**

We draw attention to Note No. 28 of the financial statements wherein the Company has obtained shareholders approval, by ways of postal ballot, for payment of remuneration to managerial personnel in the absence of adequate profits, Subsequent thereto, the Company has made application(s) with the Central Government for its approval, which is still awaited. Our opinion is not qualified in respect of this matter.

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

- 1) As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 2) As required by section 227(3) of the Companies Act, 1956, we report that:
  - a) We have 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 appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and
  - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 00756N

**ARUN K. TULSIAN**  
Partner  
Membership No.: 89907

Dated : May 28, 2013

Place : New Delhi

# ASIAN HOTELS (WEST) LIMITED

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## ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a programme of physically verifying its fixed assets in a phased manner designed to cover all assets over a period of time, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, the Management had carried out a physical verification of some of its fixed assets during the year and the discrepancies noted on such verification were not material and have been suitably dealt with in the books.
  - c. No substantial part of the fixed assets was disposed off during the year.
- ii. In respect of its inventories:
  - a. As explained to us, all inventories have been physically verified during the year by the Management at reasonable intervals.
  - b. In our opinion, 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.
  - c. In our opinion, the Company has maintained proper inventory records. The discrepancies noticed between the physical stocks and book records were not material and the same have been properly dealt with in the books of account.
- iii. The Company has granted unsecured loan to its subsidiary Company Inovia Hotels & Resorts Limited listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and year end balance of such loan is Rs 464.88 lacs. Apart from this, there are no other loans granted during the year. The rate of interest and other terms & conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- iv. The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e), (f) and (g) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control systems.
- vi.
  - a. According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under that section have been so entered.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakh in respect of each party have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vii. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, within the meaning of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- viii. In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
- ix. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the Company's activities. Hence, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- x.
  - a. According to the records of the Company examined by us and the information and explanations given to us, the Company has generally deposited its statutory dues including Employees' Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues within the prescribed time with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2013 for a period of more than six months from the date they became payable.
  - b. We are informed that there are no dues in respect of Sales Tax, Income Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute.

# ASIAN HOTELS (WEST) LIMITED

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- xi. There are no accumulated losses of the Company as at the end of the financial year. There are no cash losses during the financial year and in the immediately preceding financial year.
- xii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- xiii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records and making timely entries for all transactions and contracts in shares and other investments. All shares have been held by the Company in its own name.
- xvi. According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiary companies from banks, the terms & conditions of which are not, prima facie, prejudicial to the interest of the Company.
- xvii. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained where such end use has been stipulated by the lender.
- xviii. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis, have prima facie, not been utilised for long term investment.
- xix. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xx. Based on the books and records produced to us by the management, securities have been created in respect of debentures issued, wherever required.
- xxi. The Company has not raised any money by way of public issues during the year.
- xxii. During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.

Place : New Delhi  
Dated : May 28, 2013

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 00756N

**ARUN K. TULSIAN**  
Partner  
Membership No.: 89907

# ASIAN HOTELS (WEST) LIMITED

BALANCE SHEET AS AT MARCH 31, 2013

(Rs. in Lacs)

	NOTES	As at March 31, 2013		As at March 31, 2012	
<b>EQUITY AND LIABILITIES</b>					
<b>1. SHAREHOLDERS' FUNDS</b>					
a. Share Capital	2	1,145.83		1,145.83	
b. Reserves and Surplus	3	<u>28,627.28</u>	<u>29,773.11</u>	<u>28,132.23</u>	<u>29,278.06</u>
<b>2. NON-CURRENT LIABILITIES</b>					
a. Long-term Borrowings	4	9,853.46		9,175.61	
b. Deferred Tax Liabilities (Net)	5	2,998.94		2,854.93	
c. Other Long term Liabilities	6	9.10		3.10	
d. Long Term Provisions	7	<u>220.88</u>	<u>13,082.38</u>	<u>195.17</u>	<u>12,228.81</u>
<b>3. CURRENT LIABILITIES</b>					
a. Short Term Borrowings	8	284.36		512.10	
b. Trade Payables	9	389.62		559.73	
c. Other Current Liabilities	10	4,259.98		3,615.77	
d. Short Term Provisions	7	<u>445.52</u>	<u>5,379.48</u>	<u>674.61</u>	<u>5,362.21</u>
			<u>48,234.97</u>		<u>46,869.08</u>
<b>ASSETS</b>					
<b>4. NON-CURRENT ASSETS</b>					
a. Fixed assets	11				
i. Tangible Assets		27,167.04		28,591.08	
ii. Capital work-in-progress		<u>45.82</u>	<u>27,212.86</u>	<u>41.48</u>	<u>28,632.56</u>
b. Non-current Investments	12	14,542.67		14,542.67	
c. Long Term Loans and Advances	13	<u>3,935.18</u>	<u>18,477.85</u>	<u>8.43</u>	<u>14,551.10</u>
<b>5. CURRENT ASSETS</b>					
a. Current Investments	14	-		831.00	
b. Inventories	15	318.45		334.82	
c. Trade Receivables	16	478.32		651.47	
d. Cash and Cash Equivalents	17	67.29		87.66	
e. Short-term Loans and Advances	13	1,620.04		1,725.14	
f. Other Current Assets	18	<u>60.16</u>	<u>2,544.26</u>	<u>55.33</u>	<u>3,685.42</u>
			<u>48,234.97</u>		<u>46,869.08</u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>					
	1				

Accompanying notes form an integral part of the Financial Statements

AS PER REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner  
Membership No. 89907

Place : New Delhi

Dated : May 28, 2013

**SUSHIL GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director  
DIN : 00057942

**NIKHIL SETHI**

Company Secretary

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in Lacs)

	NOTE	Year ended March 31, 2013	Year ended March 31, 2012
<b>1. INCOME</b>			
a. Revenue From Operations	19	12,991.21	13,040.72
Less : Excise Duty		8.36	7.09
		<u>12,982.85</u>	<u>13,033.63</u>
b. Other Income	20	109.45	544.72
<b>Total Revenue</b>		<u><u>13,092.30</u></u>	<u><u>13,578.35</u></u>
<b>2. EXPENSES</b>			
a. Consumption of Provisions, Beverages, Smokes and Others	21	1,194.17	1,134.72
b. Employee Benefit Expenses	22	2,950.46	2,782.86
c. Finance Cost	23	1,628.05	1,842.74
d. Depreciation and Amortization Expense	11	1,025.22	1,029.68
e. Other Expenses	24	4,932.03	4,848.32
<b>Total Expenses</b>		<u><u>11,729.93</u></u>	<u><u>11,638.31</u></u>
<b>3. Profit Before Tax</b>		<b>1,362.37</b>	<b>1,940.04</b>
<b>4. Tax expense</b>			
i. Current Tax		455.20	582.00
ii. Deferred Tax charge/(Credit)		144.02	30.89
		<u>599.22</u>	<u>612.89</u>
<b>5. Profit/(Loss) for the Year</b>		<b>763.15</b>	<b>1,327.15</b>
<b>Earning per Equity Share (Nominal value per Share Rs. 10/-) (Refer Note No 39)</b>			
i. Basic		6.66	11.58
ii. Diluted		6.66	11.58

### SIGNIFICANT ACCOUNTING POLICIES 1

Accompanying notes form an integral part of the Financial Statements.

### AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

Place : New Delhi  
Dated : May 28, 2013

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

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

**NIKHIL SETHI**  
Company Secretary

# ASIAN HOTELS (WEST) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in Lacs)

	2012-13	2011-12
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>[a] Net Profit before Tax</b>	<b>1,362.38</b>	1,940.04
Adjustment for:		
Depreciation	1,025.22	1,029.68
Profit on sale of fixed assets	(46.61)	6.18
Dividend Income on Investment	(36.72)	(19.33)
Interest Paid	1,628.05	1,802.19
Interest Earned	(25.96)	(146.37)
	<u>2,543.98</u>	<u>2,672.35</u>
<b>[b] Operating profit before working capital charges</b>	<b>3,906.36</b>	4,612.39
Adjustments for:		
(Increase)/Decrease in Inventories	16.37	(58.07)
(Increase)/Decrease in Trade Receivables	173.15	205.55
(Increase)/Decrease in Loans and Advances	(3,826.49)	1,556.10
Increase/(Decrease) in Trade Payables	34.86	23.75
Increase/(Decrease) in Provisions	(482.67)	(470.55)
	<u>(4,084.78)</u>	<u>1,256.78</u>
<b>[c] Cash generated from operations</b>	<b>(178.42)</b>	5,869.17
Direct taxes paid (Net)	(444.00)	(590.74)
<b>Net cash from Operating Activities (A)</b>	<b>(622.42)</b>	5,278.43
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(454.83)	(164.35)
Sale of fixed assets	895.91	13.00
Sale/(Purchase) of Investments	831.00	(2,394.35)
Dividend Income on Investment	36.72	19.33
<b>Net Cash from Investing Activities (B)</b>	<b>1,308.80</b>	(2,526.37)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	(2,687.41)	(1,803.70)
Proceeds of Borrowings	3,582.76	33.64
Interest Paid	(1,628.04)	(1,802.19)
Interest Earned	25.96	146.37
<b>Net Cash from Financing activities [C]</b>	<b>(706.73)</b>	(3,425.88)
<b>Net Increase/ (Decrease) in Cash Equivalent [A+B+C]</b>	<b>(20.35)</b>	(673.82)
Cash and Cash equivalent (Beginning of the year)	87.65	761.47
Cash and Cash equivalent (End of the year)	67.29	87.65

**Notes:**

- 1 Figures in bracket represent Cash Outflow.
- 2 Previous Year's figures have been regrouped/rearranged wherever necessary.

AS PER REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner  
Membership No. 89907

Place : New Delhi

Dated : May 28, 2013

**SUSHIL GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director  
DIN : 00057942

**NIKHIL SETHI**

Company Secretary

# ASIAN HOTELS (WEST) LIMITED

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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE : 1

#### SIGNIFICANT ACCOUNTING POLICIES:

**a. Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 under the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company.

**b. Use of Estimates**

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

**c. Revenue Recognition**

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

- i. Revenue from rendering of hospitality services is recognized when the related services are performed.
- 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 hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

**d. Income in Foreign Exchange**

The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.

**e. Interest on Income Tax Refunds / Demands**

It is accounted for as income in the year when granted and as tax expense when determined by the tax authorities.

**f. Claims Recoverable**

Claims recoverable are accrued only to the extent as admitted by the parties.

**g. Expenses remittable in foreign exchange**

These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.

**h. Foreign Exchange Transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year-end are translated at the year-end rates resulting in exchange differences being recognized as income / expenses (net).

Foreign Currency balances at the year-end are converted at the year-end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

**i. Employee Benefits**

- i. Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by approved actuary using projected unit credit method.
- ii. All employees are covered under contributory provident fund benefit of a contribution of specified percentage 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 contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

**j. Taxation**

- i. Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal/adjustment of timing differences of earlier years.
- ii. Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).
- iii. Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
- iv. Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### k. Fixed Assets and Depreciation

#### i. Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

#### ii. Depreciation

- a. Depreciation as per straight line method is charged in the accounts.
- b. The charge is on the basis of rates as prescribed under Schedule XIV to the Companies Act, 1956 pro rata from the month of purchase. If the asset is purchased on or before the 15th of month, depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.

### l. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments or short-term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognized in the Statement of Profit and Loss. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Statement of Profit and Loss. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

### m. Inventory

- i. Inventory is valued at cost or net realizable value, whichever is lower.
- ii. Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- iii. Shares held as Stock- in -trade are valued at cost or market value whichever is lower.
- iv. Net realizable value is estimated selling/ realizable value in the normal course of business less cost of completing the sale. Cost is determined on weighted average basis.

### n. Leases

#### When the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### When the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### o. 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, each asset/ group of assets is identified for which there are separately identifiable cash flows (cash generating units).

### p. Earnings per share

Basic earnings per share are 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.

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.

### q. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash/ cheques in hand and fixed deposits with banks with maturity period of three months or less.

### r. Dividend

Dividend proposed on equity shares, if any, is accounted for pending approval at the Annual General Meeting.

### s. Provisions and Contingent liabilities

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013	As at March 31, 2012
	Rs. in lacs	Rs. in lacs
<b>NOTE -2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
i. 14,000,000 (Previous year 14,000,000) Equity Shares of Rs. 10/- each	1,400.00	1,400.00
ii. 11,000,000 (Previous year 11,000,000) Preference Shares of Rs. 10/- each	1,100.00	1,100.00
	<b>2,500.00</b>	<b>2,500.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
i. 11,458,303 (Previous year 11,458,303) Equity Shares of Rs. 10/-each fully paid up*	1,145.83	1,145.83
	<b>1,145.83</b>	<b>1,145.83</b>

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

### a. Reconciliation of the Shares outstanding at the beginning and at the end of reporting period

	March 31, 2013		March 31, 2012	
	No of Shares	Rs. in lacs	No of Shares	Rs. in lacs
<b>i. Equity Shares of Rs 10/- each fully paid up</b>				
Balance at the beginning of the year	11,458,303	1,145.83	11,401,782	1,140.18
Add: Issued during the year	-	-	56,521	5.65
Balance at the end of the year	<b>11,458,303</b>	<b>1,145.83</b>	<b>11,458,303</b>	<b>1,145.83</b>
<b>ii. Fully Convertible Preference Shares (FCPS) of Rs. 10 each</b>				
Balance at the beginning of the year	-	-	27,780.00	2.78
Add: Issued during the year	-	-	-	-
Less: Converted into equity share	-	-	27,780.00	2.78
Balance at the end of the year	-	-	-	-

### b. Rights, restrictions and preferences attached to each class of Share

The Company has two class of Shares i.e Equity and Preference having a par value of Rs. 10/- each. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### c. Details of Shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2013		As at March 31, 2012	
	No of Shares	% holding	No of Shares	% holding
D.S.O. Limited	5,336,880	46.58	5,336,880	46.58
	As at March 31, 2013		As at March 31, 2012	
	Rs. in lacs		Rs. in lacs	

## NOTE - 3

### RESERVES & SURPLUS

<b>A. Capital Reserve</b>	-	1.41	-	1.41
<b>B. Capital Redemption Reserve</b>				
Balance at the beginning of the year	990.00	-	990.00	-
Add: Transferred during the year	-	990.00	-	990.00

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013		As at March 31, 2012	
	Rs. in lacs		Rs. in lacs	
<b>NOTE - 3</b>				
<b>C. Debenture Redemption Reserve</b>				
Balance at the beginning of the year	518.75		168.75	
Add: Transferred from Statement of Profit & Loss	1,062.50	1,581.25	350.00	518.75
<b>D. Securities Premium Reserve</b>				
Balance at the beginning of the year	144.36		147.23	
Add: Received during the year	-		-	
Less: Expenses incurred on issue of shares	-	144.36	2.87	144.36
<b>E. Tourism Development Utilised Reserve</b>				
Balance at the beginning of the year	-		5,332.02	
Less: Transferred to General Reserve	-	-	5,332.02	-
<b>F. General Reserve</b>				
Balance at the beginning of the year	15,596.00		10,128.98	
Add: Transferred from Tourism Development Utilised Reserve	-		5,332.02	
Add: Transfer from Statement of Profit & Loss	57.24	15,653.24	135.00	15,596.00
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>				
Balance at the beginning of the year	10,881.71		10,570.99	
Add: Profit for the year	763.15		1,327.16	
Amount available for appropriation	11,644.86		11,898.15	
<b>Less: Appropriations</b>				
a. Transfer to General Reserve	57.24		135.00	
b. Proposed Dividend on Equity Shares	229.17		458.33	
c. Dividend Distribution tax	38.95		73.11	
d. Transfer to Debenture Redemption Reserve	1,062.50	10,257.02	350.00	10,881.71
		<b>28,627.28</b>		<b>28,132.23</b>

	As at March 31, 2013			As at March 31, 2012		
	Non-Current	Current	Total	Non-Current	Current	Total
	Rs. In Lacs			Rs. In Lacs		

## NOTE - 4

### LONG-TERM BORROWINGS

#### A Secured

##### a. Debentures

i. Non Convertible Debentures of Rs. 10 lacs each#	4,525.00	1,800.00	6,325.00	6,325.00	1,600.00	7,925.00
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##### b. Term Loans from

i. Banks*	5,184.97	1,000.00	6,184.97	2,800.00	800.00	3,600.00
ii. Banks - Vehicle Loans **	143.49	88.94	232.44	50.61	43.71	94.32
<b>Total</b>	<b>9,853.46</b>	<b>2,888.94</b>	<b>12,742.41</b>	<b>9,175.61</b>	<b>2,443.71</b>	<b>11,619.32</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31,2013			As at March 31,2012		
	Non-Current	Current	Total	Non-Current	Current	Total
	Rs. In Lacs			Rs. In Lacs		
Amount disclosed under the head "Other Current Liabilities" Refer Note No - 10 as :						
Current Maturities of Long-Term Debts	-	(2,888.94)	(2,888.94)	-	(2,443.71)	(2,443.71)
<b>Total</b>	-	<b>(2,888.94)</b>	<b>(2,888.94)</b>	-	<b>(2,443.71)</b>	<b>(2,443.71)</b>
<b>Net Amount</b>	<b>9,853.46</b>	-	<b>9,853.46</b>	9,175.61	-	9,175.61

### Nature of Security and Terms of Repayment

#### Debentures

# 1,000 rated, taxable, secured, redeemable, non-convertible debentures (NCD) of Rs.10 lacs each aggregating to Rs.10,000 lacs were issued to Kotak Mahindra Bank Limited on private placement basis on June 25, 2010. M/s IDBI Trusteeship Services Limited, Mumbai was appointed as the Debenture Trustee to the aforesaid NCD's. The rate of interest on these NCDs has been linked to Kotak Mahindra Banks Prime lending Rate (PLR) less 5% p.a. The outstanding balance of Rs. 6,325 lacs as on March 31,2013 (Previous year 7,925 lacs) is secured by way of first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2013 is repayable in 12 unequal quarterly installments ranging from Rs. 450 lacs to Rs. 660 lacs.

#### Term Loans

\* The outstanding balance of Rs. 2,800 lacs as on March 31,2013 (Previous year 3,600 lacs) out of sanctioned loan of Rs. 4,500 lacs is secured by way of first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2013 is repayable in 12 unequal quarterly installments ranging from Rs. 250 lacs to Rs. 275 lacs.

\* During the year under review, the Company was Sanctioned additional borrowing facilities aggregating to Rs. 4000 Lacs from the Kotak Mahindra Bank Limited (the Bank) out of which Company has availed Rs. 3384.97 lacs as on 31st March, 2013 repayable by way of 24 unequal quarterly installments starting from Sep. 2014 ranging from Rs.21.15 Lacs to Rs. 200.98 Lacs.

The above facilities are inter alia secured by first pari passu charge on all existing and future moveable fixed assets and immoveable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director.

\*\* The outstanding balance of Rs. 232.44 lacs as on March 31, 2013 (Previous year 94.32 lacs) from bank/corporate body against Vehicle / Equipment loans are secured by hypothecation of vehicles and equipments. The outstanding balance as on March 31, 2013 is repayable upto Nov, 2017 on monthly installments ranging from Rs.0.42 lacs to Rs. 1.07 lacs.

Rs. in Lacs

	As at March 31, 2013	Charge/ (Credit) during the year	As at March 31,2012
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### NOTE- 5

#### DEFERRED TAX LIABILITIES (NET)

##### A. Deferred Tax Liabilities

i. Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	3,129.83	151.05	2,978.78
	<b>3,129.83</b>	<b>151.05</b>	<b>2,978.78</b>

##### B. Deferred Tax Assets

i. Impact of expenses for retirement benefits charged to the statement of profit and loss in the current year but allowed for tax in future years	114.61	(21.42)	93.19
ii. Provision for doubtful debts and advances	0.00	3.17	3.17
iii. Impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	16.28	11.22	27.50
	<b>130.89</b>	<b>(7.03)</b>	<b>123.85</b>
<b>Net Deferred Tax Liability</b>	<b>2,998.94</b>	<b>144.02</b>	<b>2,854.93</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	<b>As at March 31, 2013</b>	As at March 31, 2012
<b>NOTE - 6</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Security Deposits	<b>9.10</b>	3.10
	<b>9.10</b>	3.10

	<b>As at March 31, 2013</b>		As at March 31, 2012	
	<b>Long Term</b>	<b>Short Term</b>	Long Term	Short Term
<b>NOTE - 7</b>				
<b>PROVISIONS</b>				
<b>A. Provision for Employee Benefits</b>				
i. Gratuity (Refer Note No. 35)	<b>163.63</b>	<b>103.68</b>	144.68	90.28
ii. Leave Encashment (Refer Note No. 35)	<b>57.25</b>	<b>12.62</b>	50.49	1.72
<b>B. Other Provisions</b>				
i. Provision for Taxation (Net of Advance Income Tax and TDS Rs. 2178.20 lacs (Previous year Rs 1,734.19 lacs))	-	<b>61.11</b>	-	49.93
ii. Proposed Dividend (including Dividend Distribution Tax)	-	<b>268.11</b>	-	532.68
	<b>220.88</b>	<b>445.52</b>	195.17	674.61

	<b>As at March 31, 2013</b>	As at March 31, 2012
	<b>Rs.in lacs</b>	Rs.in lacs

## NOTE - 8

### SHORT TERM BORROWINGS

Loans repayable on Demand-From Banks on Cash Credit (Secured)	<b>284.36</b>	512.10
<b>Total</b>	<b>284.36</b>	512.10

The outstanding balance of Rs. 284.36 lacs as on March 31, 2013 (Previous year 512.10 lacs) out of sanctioned limit of Rs. 650 lacs (including adhoc limit of Rs. 150 lacs) is secured by way of exclusive charge on all existing and future current assets of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr Sushil Gupta, Chairman and Managing Director.

	<b>As at March 31, 2013</b>	As at March 31, 2012
	<b>Rs.in lacs</b>	Rs.in lacs

## NOTE - 9

### TRADE PAYABLES

Trade Payables*	<b>389.62</b>	559.73
<b>Total</b>	<b>389.62</b>	559.73
	<b>10.23</b>	5.94

\* Includes due to Micro, Small and Medium enterprises (Refer Note No.-38) (to the extent information is available with the Company)

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013	As at March 31, 2012
	Rs.in lacs	Rs.in lacs
<b>NOTE - 10</b>		
<b>OTHER CURRENT LIABILITIES</b>		
a. Current Maturities of Long-term debt	2,888.94	2,443.71
b. Advance From Customers	216.27	264.81
c. Unpaid Dividend*	14.93	9.53
d. Interest accrued but not due	82.70	61.03
e. <b>Other Payables</b>		
i. Withholding & Other Taxes	328.06	168.07
ii. Expenses	616.31	565.81
iii. Accrued Salaries & Benefits	112.77	102.81
<b>Total</b>	<b>4,259.98</b>	<b>3,615.77</b>

\* There are no amounts due and outstanding to be credited to the Investor Education & Protection Fund.

## NOTE - 11 FIXED ASSETS

(Rs. in Lacs)

Particulars	Tangible Assets					Total	Capital Work In Progress
	Land - Freehold	Buildings	Furniture Fixture & Furnishings	Plant & Machinery	Vehicles		
<b>Gross Block</b>							
<b>As at March 31, 2011</b>	10,069.22	14,788.32	2,747.73	9,123.47	568.43	37,297.18	28.45
Additions	-	19.88	7.80	36.11	87.52	151.32	96.20
Sales /Adjustment /Transfer	-	-	-	26.71	89.04	115.75	83.17
<b>At March 31, 2012</b>	10,069.22	14,808.20	2,755.53	9,132.87	566.91	37,332.75	41.48
Additions	-	66.91	0.09	142.63	240.86	450.49	4.34
Sales /Adjustment /Transfer	781.91	10.33	0.98	117.97	53.31	964.49	-
<b>At March 31, 2013</b>	<b>9,287.31</b>	<b>14,864.79</b>	<b>2,754.64</b>	<b>9,157.53</b>	<b>754.47</b>	<b>36,818.75</b>	<b>45.82</b>
<b>Depreciation</b>							
<b>As at March 31, 2011</b>	-	1,913.34	1,958.48	3,638.39	298.35	7,808.56	-
Charge for the year	-	241.16	260.86	455.89	71.77	1,029.68	-
Sales /Adjustment /Transfer	-	-	-	14.30	82.27	96.58	-
<b>As at March 31, 2012</b>	-	2,154.50	2,219.34	4,079.98	287.85	8,741.67	-
Charge for the year	-	241.74	261.20	452.59	69.69	1,025.22	-
Sales /Adjustment /Transfer	-	1.68	0.90	67.34	45.26	115.18	-
<b>As at March 31, 2013</b>	-	<b>2,394.56</b>	<b>2,479.64</b>	<b>4,465.23</b>	<b>312.29</b>	<b>9,651.71</b>	-
<b>Net Block</b>							
<b>As at March 31, 2012</b>	10,069.22	12,653.70	536.19	5,052.89	279.06	28,591.08	41.48
<b>As at March 31, 2013</b>	<b>9,287.31</b>	<b>12,470.23</b>	<b>275.01</b>	<b>4,692.29</b>	<b>442.18</b>	<b>27,167.04</b>	<b>45.82</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013	As at March 31, 2012
	Rs.in lacs	Rs.in lacs
<b>NOTE - 12</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>Trade Investments (valued at cost unless stated otherwise)</b>		
<b>A. SHARES IN SUBSIDIARY COMPANIES</b>		
<b>a. Equity Shares - Unquoted</b>		
i. Aria Hotels & Consultancy Services Private Limited 5,96,10,000 (Previous Year 5,96,10,000) Equity shares of Rs.10/- each	11,497.00	11,497.00
ii. Inovoa Hotels & Resorts Limited* 9,998,186 (Previous Year 9,998,186) Equity shares of Rs. 10/- each	1,799.68	1,799.68
<b>b. Preferences Shares - Unquoted</b>		
i. Aria Hotels & Consultancy Services Private Limited 38,61,538 (Previous Year 38,61,538) Compulsorily Convertible Preference share of Rs. 10/- each.	1,004.00	1,004.00
ii. Inovoa Hotels & Resorts Limited* 1,344,408 (Previous Year 1,344,408) Optionally Cumulative Convertible Preference share of Rs. 10/- each.	241.99	241.99
	<b>14,542.67</b>	<b>14,542.67</b>
* Subsidiary w.e.f. May 28, 2011.		
Cost of Unquoted Shares	<b>14,542.67</b>	<b>14,542.67</b>

## NOTE - 13

### LOANS AND ADVANCES (unsecured considered good)

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
	Rs.in lacs		Rs.in lacs	
<b>A. Security Deposits</b>	3,926.45	21.37	8.43	25.25
<b>B. Other Advances to Related Parties</b>	-	464.87	-	-
<b>C. Others</b>				
i. Advances recoverable in cash or in kind				
a. Considered good	-	713.90	-	1,307.02
b. Considered doubtful	-	-	-	9.78
Less : Provision for doubtful advances	-	-	-	(9.78)
ii. Prepaid Expenses	-	166.76	-	120.72
iii. Advance to Suppliers/Contractors	-	163.15	-	99.45
iv. Advance to Employees	8.73	4.30	-	9.63
v. Balances with Statutory Authorities	-	85.69	-	163.07
	<b>3,935.18</b>	<b>1,620.04</b>	<b>8.43</b>	<b>1,725.14</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
	<b>Rs.in lacs</b>	<b>Rs.in lacs</b>
<b>NOTE - 14</b>		
<b>CURRENT INVESTMENTS</b>		
<b>Non-Trade Investments (Valued at cost unless stated otherwise)</b>		
<b>MUTUAL FUND</b>		
i. NIL (Previous Year 5,748,108.61) units of Rs. 10 each of HDFC Cash Management Fund-TAP-Retail	-	576.62
ii. NIL (Previous Year 2,531,812.88) units of Rs. 10 each of Kotak Flexi Debt Fund	-	254.38
	-	831.00
<b>Cost of quoted investments</b>	-	831.00
<b>Market value of quoted investments</b>	-	831.00
<b>NOTE - 15</b>		
<b>INVENTORIES</b>		
(As Taken, Valued and Certified by the Management)		
i. Wines & Liquor	<b>82.29</b>	126.36
ii. Provisions, Other Beverages and Smokes	<b>19.64</b>	30.84
iii. Crockery, Cutlery, Silverware, Linen etc.	<b>129.63</b>	114.29
iv. General Stores and Spares	<b>84.04</b>	60.18
v. Shares in Trade	<b>2.85</b>	3.15
<b>Total</b>	<b>318.45</b>	334.82
<b>NOTE - 16</b>		
<b>TRADE RECEIVABLES (Unsecured, considered good unless otherwise stated)</b>		
<b>A. OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DUE DATE</b>		
i. Considered Good	<b>9.07</b>	143.25
ii. Considered Doubtful	-	5.59
Less: Provision for Doubtful Debts	-	(5.59)
<b>B. OUTSTANDING FOR A PERIOD LESS THAN SIX MONTHS FROM THE DUE DATE</b>		
i. Considered Good	<b>469.25</b>	508.22
<b>Total</b>	<b>478.32</b>	651.47

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2013	As at March 31, 2012
	Rs.in lacs	Rs.in lacs
<b>NOTE - 17</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>A. Cash and Cash Equivalents</b>		
i. Balances with banks in Current Accounts	30.36	33.25
ii. Cash on hand	8.20	7.97
iii. Cheques in hand	13.80	36.91
	<u>52.36</u>	<u>78.13</u>
<b>B. Other Bank Balances</b>		
i. Dividend Accounts	14.93	9.53
	<u>14.93</u>	<u>9.53</u>
	<u>67.29</u>	<u>87.66</u>
<b>NOTE - 18</b>		
<b>OTHER CURRENT ASSETS</b>		
Unbilled Revenue	60.16	93.59
	<u>60.16</u>	<u>93.59</u>
	<b>Year Ended March 31, 2013</b>	<b>Year Ended March 31, 2012</b>
	<b>Rs.in lacs</b>	<b>Rs.in lacs</b>
<b>NOTE - 19</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>SALE OF SERVICES</b>		
i. Rooms	8,328.92	8,520.39
ii. Wines and Liquor	572.29	572.84
iii. Food, Other Beverages, Smokes & Banquets	3,263.96	2,985.70
iv. Communications	123.33	134.96
v. Others	702.71	826.83
<b>Total</b>	<u>12,991.21</u>	<u>13,040.72</u>
<b>NOTE - 20</b>		
<b>OTHER INCOME</b>		
i. Interest Income	25.96	146.37
ii. Dividend on Investments	36.72	19.33
iii. Profit on Sale of Fixed Assets (Net)	46.61	-
iv. Miscellaneous Income	0.16	379.02
<b>Total</b>	<u>109.45</u>	<u>544.72</u>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year Ended March 31, 2013	Year Ended March 31, 2012
	Rs.in lacs	Rs.in lacs
<b>NOTE - 21</b>		
<b>(INCREASE)/DECREASE IN STOCK IN TRADE</b>		
<b>A. WINES &amp; LIQUOR</b>		
Opening Stock	126.36	76.94
Add : Purchases	138.08	225.00
	<u>264.44</u>	<u>301.94</u>
Less : Closing Stock	82.29	126.36
	<u>182.15</u>	<u>175.58</u>
<b>B. FOOD, PROVISIONS, OTHER BEVERAGES AND SMOKES</b>		
Opening Stock	30.84	24.31
Add : Purchases	1,000.81	965.67
	<u>1,031.65</u>	<u>989.98</u>
Less : Closing Stock	19.64	30.84
	<u>1,012.01</u>	<u>959.14</u>
<b>Total</b>	<u>1,194.17</u>	<u>1,134.72</u>
Indigeneous Current Year 81.44% Previous Year 85.62%	997.69	950.65
Imported Current Year 18.56% Previous year 14.38%	196.47	184.07

## NOTE - 22

### EMPLOYEE BENEFIT EXPENSES

i. Salaries, Wages, Allowances & Commission	1,967.78	1,888.57
ii. Contribution to Gratuity, Provident and Other Funds	203.80	176.28
iii. Staff Welfare Expenses*	320.36	280.96
iv. Contract Labour & Services	458.52	437.05
	<u>2,950.46</u>	<u>2,782.86</u>
*includes:		
Cost of provisions consumed in staff cafeteria	142.27	135.01
Realisation on sale of food coupons to staff	(5.28)	(2.61)

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year Ended March 31,2013	Year Ended March 31,2012
	Rs.in lacs	Rs.in lacs
<b>NOTE - 23</b>		
<b>FINANCE COST</b>		
a. Interest on		
i. Debentures	986.61	1,177.78
ii. Term Loans	553.48	601.36
iii. Vehicle loans	13.09	10.65
iv. Self Assessment Tax	1.67	-
b. Other Borrowing Costs	73.20	52.95
	<b>1,628.05</b>	<b>1,842.74</b>

## NOTE - 24

### OTHER EXPENSES

i. Linen, Room, Catering and Other Supplies/Services	282.29	211.81
ii. Operating equipments and Supplies written off	71.36	76.10
iii. Fuel, Power and Light (Net)	1,128.20	1,013.33
iv. Repairs, Maintenance and Refurbishing*	824.06	965.46
v. Rent	39.46	41.73
vi. Rates and Taxes	264.70	66.95
vii. Insurance	71.42	59.72
viii. Directors' Sitting Fee	5.88	5.04
ix. Legal and Professional Expenses	136.66	247.04
x. Artist Fee	1.55	2.24
xi. Stationery and Printing	57.32	57.82
xii. Travelling and Conveyance	310.12	336.42
xiii. Communication Expenses	97.45	109.17
xiv. Technical Services	591.69	621.86
xv. Advertisement and Publicity	255.50	213.36
xvi. Commission and Brokerage	656.48	654.60
xvii. Charity & Donation	34.63	27.29
xviii. Gain/Loss on Trading of Shares/Derivatives	0.29	1.29
xix. Loss on Fixed Assets Sold/Discarded (Net)	-	6.18
xx. Recruitment & Training	27.11	12.88
xxi. Gain/Loss on foreign exchange	2.66	28.92
xxii. Miscellaneous	73.20	89.10
	<b>4,932.03</b>	<b>4,848.32</b>

\*includes:

Repairs & Maintenance - Buildings	168.81	253.89
Repairs & Maintenance - Plant & Machinery	335.29	453.81
Repairs & Maintenance - Others	319.96	257.76

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25. Contingent Liabilities not provided for in respect of:

(Rs. in lacs)

S. No.	Particulars	Amount As At March 31, 2013	Amount As At March 31, 2012
i.	Duty Saved against Export obligation	712.19	353.93
ii.	Corporate Guarantees on behalf of Subsidiaries	6,629.28	5,763.72
iii.	Demand raised by Service Tax Authorities and contested by the company.	512.00	61.49

26. Pursuant to the Scheme of Arrangement & Demerger, Hyatt Regency, Mumbai was transferred to and vested in the Company. The Company has applied to the concerned authority for adjudication of stamp duty applicable on conveyance of the property title in favour of the Company, which has not been ascertained. Maximum liability which could be levied is estimated at Rs. 1500 lacs.

27. Capital and other Commitments :

(Rs. in lacs)

Particulars	2012-13	2011-12
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	59.34	1.04
Other Commitments	148.39	-

28. During the financial year, in terms of requirement of Clause 1(C) of Section II of Part II of Schedule XIII to the Companies Act, 1956 the Company has obtained shareholders approval, by way of Postal Ballot, for payment of remuneration to the Managerial Personnel in the absence of adequate profits. Subsequent thereto, the Company has made application(s) with the Central Government for its approval, which is still awaited.

29. Company has received refund of Rs. 55.56 lacs out of Rs. 95.94 lacs towards the amount paid under protest for the Service Tax demand raised in earlier years. The petition is already filed with Tribunal Authorities and hence been included under "Loans and Advances" as "Claims Recoverable" based on the progress made in the matter so far. Further Company has received notice dated December 10, 2012 (Appeals)-IV Central Excise, Mumbai Zone-I against refund order of Rs.55.56 lacs passed by Assistant Commissioner of Service Tax Div-III Mumbai and directed to file cross objections to prove that burden of tax has been borne by the claimant & not passed on.

30. The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.

31. During the current financial year, the Company has acquired commercial space aggregating to 18,784 Sq. feet. at Commercial Tower, J. W. Marriott Hotel, New Delhi from Aria Hotels and Consultancy Services Private Limited, subsidiary company on Long Term License basis at an aggregate interest free refundable security deposit aggregating to Rs. 3,926.00 Lacs which has been presented under Long Term Loans and Advances.

32. As the company is engaged in only one segment of Hotel business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.

33. Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the Company:

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2013	As at March 31, 2012
a.	Not later than one year	16.52	19.25
b.	Later than one year and not later than five years	87.15	-
c.	Later than five years	562.90	-

34. Auditors Remuneration (Exclusive of Service Tax):

(Rs in Lacs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
a. Statutory Audit Fee	8.00	8.00
b. Tax Audit Fee	1.75	1.75
c. Limited Review Fee	3.00	3.00
<b>Total</b>	<b>12.75</b>	<b>12.75</b>

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

### 1. Defined contribution plans

a. Provident fund

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 2. Defined benefits plans

- a. Contribution to Gratuity fund
- b. Compensated absences – Earned leave

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

#### Economic Assumptions

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

#### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 8 % 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 taken into account. Again a long- term view as to the trend in salary increase rates is taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

- a. The following tables set out the unfunded status of the gratuity plan and earned leaves and amounts recognized in the Company's financial statements as at March 31, 2013

- i. **Change in benefit obligations:** (Rs. in Lacs)

Particulars	Gratuity (Unfunded)				Compensated absences Earned leave (unfunded)			
	2012-13	2011-12	2010-11	2009-10	2012-13	2011-12	2010-11	2009-10
Present value of obligations as at the beginning of the year	234.96	200.36	182.77	-	52.21	43.37	34.78	-
Transferred pursuant to the Scheme of Arrangement and Demerger	-	-	-	175.05	-	-	-	31.77
Current service cost	37.09	35.86	30.93	13.39	19.88	16.92	18.29	6.19
Interest cost	18.80	16.03	14.62	7.00	4.18	3.47	2.78	1.27
Benefit Paid	(24.62)	(22.19)	(26.28)	(16.26)	(11.87)	(5.82)	(8.88)	(4.97)
Actuarial (gain)/ loss on obligation	1.08	4.89	(1.67)	3.59	5.47	(3.73)	(3.6)	0.52
<b>Present value of obligations as at the year end</b>	<b>267.31</b>	<b>234.96</b>	<b>200.37</b>	<b>182.77</b>	<b>69.87</b>	<b>52.21</b>	<b>43.37</b>	<b>34.78</b>

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

Current Service cost	37.09	35.86	30.93	13.39	19.88	16.92	18.29	6.19
Interest cost	18.80	16.02	14.62	7.00	4.18	3.47	2.78	1.27
Actuarial (gain)/loss recognised during the year	1.08	4.89	(1.67)	3.59	5.47	(5.73)	(3.6)	0.52
Net charge/(credit)	56.97	56.78	43.88	23.98	29.53	14.66	17.47	7.98

- iii. **Amount recognized in balance Sheet :**

Particulars	Gratuity (unfunded)				Compensated absences Earned leave (unfunded)			
	2012-13	2011-12	2010-11	2009-10	2012-13	2011-12	2010-11	2009-10
Present value of obligations as at the end of the year	267.31	234.96	200.37	182.77	69.87	52.21	43.37	34.78
Fair value of plan assets as at the end of the period	-	-	-	-	-	-	-	-
Funded status / Difference	(267.31)	(234.96)	(200.37)	(182.77)	(69.87)	(52.21)	(43.37)	(34.78)
Excess of actual over estimated	-	-	-	-	-	-	-	-
Unrecognized actuarial (gain)/ losses	-	-	-	-	-	-	-	-
<b>Net assets/ (liability) recognized in the balance sheet</b>	<b>(267.31)</b>	<b>(234.96)</b>	<b>(200.37)</b>	<b>(182.77)</b>	<b>(69.87)</b>	<b>(52.21)</b>	<b>(43.37)</b>	<b>(34.78)</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### iv. Principal Actuarial Assumptions:

Particulars	Refer Note below	Year ended 31-Mar-13	Year ended 31-Mar-12	Year ended 31-Mar-11	Year ended 31-Mar-10
Discount rate (p.a.)	1	8%	8%	8%	8%
Salary escalation rate (p.a.)	2	7%	7%	7%	7%

#### Notes:

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

#### Demographic assumptions:

- Retirement age 58 years
- Mortality rate Published rates under LIC (1994-96) mortality table.

36. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows: -

#### a. List of related parties

##### (i) Subsidiary Company

- Aria Hotels and Consultancy Services Private Limited
- Inovoa Hotels & Resorts Limited (with effect from May 28, 2011)

##### (ii) Key Management Personnel

- Mr. Sushil Gupta - Chairman & Managing Director
- Mr. Sudhir Gupta Executive (Whole-Time) Director
- Mr. Sandeep Gupta - Executive (Whole-Time) Director

##### (iii) Entities over which Directors and their relatives can exercise significant influence

- Eden Park Hotels Private Limited
- M/s Bhasin & Co.
- Aria Investments & Holdings Limited

#### Balances outstanding/transactions with related parties

(Rs. in Lacs)

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Associate Company	Entities Controlled By Directors & their relatives	Total
<b>(i) Transactions during the year</b>						
<b>Purchases/Services availed during the year</b>						
Bhasin & Co	- (-)	- (-)	- (-)	- (-)	1.86 (4.13)	1.86 (4.13)
Inovoa Hotels & Resorts limited	- (0.34)	- (-)	- (-)	- (-)	- (-)	- (0.34)
<b>(ii) Sales/Services Provided during the year</b>						
Eden Park Hotels Pvt. Ltd	- (-)	- (-)	- (-)	- (-)	0.47 (1.11)	0.47 (1.11)
Inovoa Hotels & Resorts Limited	25.42 (142.76)*	- (-)	- (-)	- (-)	- (-)	25.42 (142.76)
Aria Hotels and Consultancy Services Private Limited	6.17 (-)	- (-)	- (-)	- (-)	- (-)	6.17 (-)
<b>Expenses Paid</b>						
Eden Park Hotels Private Ltd	- (-)	- (-)	- (-)	- (-)	45.99 (40.37)	45.99 (40.37)

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Subsidiary Company	Key Management Personnel	Relative of Key Management Personnel	Associate Company	Entities Controlled By Directors & their relatives	Total
<b>Advances Given</b>						
Inovoa Hotels & Resorts Limited	442.00 (3565.00)	- (-)	- (-)	- (-)	- (-)	442.00 (3565.00)
<b>Advances Received Back</b>						
Inovoa Hotels & Resorts Limited	- (3565.00)	- (-)	- (-)	- (-)	- (-)	- (3565.00)
<b>(iii) Managerial remuneration</b>						
Mr. Sushil Gupta	- (-)	95.68 (86.49)	- (-)	- (-)	- (-)	95.68 (86.49)
Mr. Sudhir Gupta	- (-)	82.56 (73.91)	- (-)	- (-)	- (-)	82.56 (73.91)
Mr. Sandeep Gupta	- (-)	82.56 (59.44)	- (-)	- (-)	- (-)	82.56 (59.44)
<b>(iv) Investment during the year in Subsidiary Company</b>						
Inovoa Hotels & Resorts Limited – Equity/Preference Shares	- (871.99)	- (-)	- (-)	- (-)	- (-)	- (871.99)
Aria Hotels and Consultancy Services Private Limited – Preference/Equity Shares	- (1004.00)	- (-)	- (-)	- (-)	- (-)	- (1004.00)
<b>(v) Purchase of Shares of Associate/Subsidiary Company</b>						
Aria Investments & Holdings Limited	- (-)	- (-)	- (-)	- (-)	- (630.00)	- (630.00)
<b>(vi) Balances outstanding at the end</b>						
<b>Account Payable</b>						
Bhasin & Co.	- (-)	- (-)	- (-)	- (-)	0.13 (0.15)	0.13 (0.15)
<b>(vii) Advance Receivable/Security deposit</b>						
Inovoa Hotels & Resorts Limited	464.88 (-)	- (-)	- (-)	- (-)	- (-)	464.88 (-)
Aria Hotels and Consultancy Services Private Limited against Security Deposit paid for office space/ commercial space on Lease	3925.99 (-)	- (-)	- (-)	- (-)	- (-)	3925.99 (-)
<b>(viii) Investment in Equity / Preference</b>						
Inovoa Hotels & Resorts Limited	2041.66 (2041.66)	- (-)	- (-)	- (-)	- (-)	2041.66 (2041.66)
Aria Hotels and Consultancy Services Private Limited – Preference Shares/Equity	12501.01 (12501.01)	- (-)	- (-)	- (-)	- (-)	12501.01 (12501.01)

\* Interest and financial charges received.

### 37. Dividend

The Board of Directors have proposed a Dividend 20 % (Previous Year 40% ) i.e. dividend of Rs. 2 /- per equity share (Previous Year Rs. 4/- per share) subject to approval of the shareholders at the ensuing Annual General Meeting.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

38. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of information available with the company:

(Rs. in lacs)

Particulars	2012-13	2011-12
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	10.22	5.94
The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-
<b>Total</b>	<b>10.22</b>	<b>5.94</b>

39. Earning Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

S.No. Particulars	Units	Year ended March 31, 2013	Year ended March 31, 2012
a. Net profit/ (loss) after tax	Rs./ Lacs	763.15	1,327.15
b. Less: Dividend on preference shares (including Corporate dividend tax)	Rs./ Lacs	-	-
c. Profit available for equity shareholders	Rs./ Lacs	763.16	1,332.78
d. Weighted average of number of equity shares used in computing basic earnings per share	No.	11,458,303	11,458,303
e. Basic earnings per share	Rs.	6.66	11.58
f. Weighted average of number of equity shares including potential dilutive shares	No.	11,458,303	11,458,303
g. Diluted earnings per share	Rs.	6.66	11.58

The investor namely the IL&FS group in the Subsidiary Company Aria Hotels and Consultancy Services Pvt. Ltd. has one of the exit options to acquire the shares of the Company at a later date. However, since the option is not exclusive and subject to certain conditions/ approvals, with number of shares not being determined, impact of future dilutive potential equity shares has not been considered in calculating diluted earning per share.

40. Details of share held as Stock- in- trade is as under:

(Rs. in lacs)

Name of the Company	No. of Shares		Cost/Market Value whichever is lower	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
ICICI Bank Limited	70	70	0.73	0.62
Reliance Capital Limited	500	500	1.56	1.96
State State Bank of India	27	27	0.56	0.56
<b>Total</b>			<b>2.85</b>	<b>3.14</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 41. Foreign Currency Exposures

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Rs. in Lacs
Accounts payable	USD	<b>551,326</b>	<b>299.86</b>
		(629,167)	(325.15)
	Sterling Pound	<b>NIL</b>	<b>NIL</b>
		(1,722)	(1.43)

There is no hedged foreign currency exposure.

Figures in brackets relate to the previous year.

### 42. (a) C.I.F. Value of Imports

S. No.	Particulars	As at March 31, 2013	As at March 31, 2012
a.	Food & Beverages - through canalising agencies	<b>61.98</b>	58.97
b.	Stores & Spares	<b>126.31</b>	100.43
c.	Capital Goods	<b>47.12</b>	37.55
d.	Beverages- through canalizing agencies	<b>95.48</b>	165.75

### (b) Expenditure in Foreign Currency -On payment basis

S.No.	Particulars	Year ended March 31, 2013	Year ended March 31, 2012
a.	Technical services	<b>478.93</b>	442.19
b.	Advertisement & Publicity	<b>19.24</b>	
c.	Commission & Brokerage	<b>421.28</b>	372.48
d.	Training & Recruitment	<b>21.88</b>	11.72
e.	Others	<b>340.31</b>	351.35

### (c) Earnings in Foreign Exchange

S.No.	Particulars	Year ended March 31, 2013	Year ended March 31, 2012
a.	On Receipt basis	<b>6,453.70</b>	7,565.67

43. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

AS PER REPORT OF EVEN DATE

For **S.S. KOTHARI MEHTA & CO.**

Chartered Accountants

**ARUN K. TULSIAN**

Partner  
Membership No. 89907

Place : New Delhi

Dated : May 28, 2013

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**SUSHIL GUPTA**

Chairman &  
Managing Director  
DIN : 00006165

**SANDEEP GUPTA**

Executive  
(Whole-Time) Director  
DIN : 00057942

**NIKHIL SETHI**

Company Secretary

# ASIAN HOTELS (WEST) LIMITED

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

1	Name of the Subsidiary	Aria Hotels and Consultancy Services Private Limited	Inovoa Hotels & Resorts Limited
2	Financial Year of the Subsidiary ended on	31st March, 2013	31st March, 2013
3	Date from which it became Subsidiary	31st October, 2009	27th May, 2011
4	a) No. of shares of the Subsidiary held by the Holding Company in its own name / name of nominee at the end of the financial year of the Subsidiary. b) Extent of interest of the Holding Company at the end of the financial year of the Subsidiary.	5,96,010,000 (Equity shares of Rs. 10 each) 81.58%	9,998,186 (Equity shares of Rs. 10 each) 50.50%
5	The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the members of the Holding Company and is not dealt with in the Holdings Company's Accounts; i. for the Subsidiary's financial year ended on March 31st, 2013 ii. for prior years since becoming subsidiary	Rs. (700.92) Lacs Rs. (41.04) Lacs	Rs. (315.35) Lacs Rs. (280.65) Lacs
6	The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the member of the Holding Company and has been dealt with in the Holdings Company's Accounts: i. for the subsidiary's financial year ended on March 31st, 2013 ii. for prior years since becoming subsidiary	NIL NIL	NIL NIL
7.	Changes if any, in the Holding Company's interest in the subsidiary between the end of financial year of the subsidiary and the end of financial year of holding Company.	Not Applicable	Not Applicable
8.	Details of material changes, if any, which occurred between the end of financial year of the subsidiary and the end of financial year of the Holding company, in respect of : a) The subsidiary's Fixed Assets b) The subsidiary's Investments c) The moneys lent by d) The moneys borrowed by if for any purpose other than that of meeting current liabilities	Not Applicable	Not Applicable

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

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

**NIKHIL SETHI**  
Company Secretary

Place : New Delhi  
Dated : May 28, 2013

### Summary of Financial Information of Subsidiaries as on 31st March, 2013

Rs. in Lacs

Particulars	Aria Hotels and Consultancy Services Pvt. Ltd.	Inovoa Hotels and Resorts Ltd.
Capital	9,424.08	2,148.00
Reserves	10,136.48	(818.61)
Total Liabilities	57,192.28	4,294.35
Total Assets	76,752.84	5,623.74
Investments	Nil	Nil
Total Income	11.01	589.28
Profit before taxation	(855.32)	(624.47)
Provision for taxation	(3.87)	Nil
Profit after taxation	(859.19)	(624.47)
Proposed/ Interim Dividend	Nil	Nil

# ASIAN HOTELS (WEST) LIMITED

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## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF ASIAN HOTELS (WEST) LIMITED AND ITS SUBSIDIARIES

To the Board of Directors of Asian Hotels (West) Limited

### Report on the Financial Statements

We have audited the accompanying consolidated Financial Statements of **Asian Hotels (West) Limited** ('the Company'), and its subsidiaries (the Group) which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and Notes to Financial Statements comprising of summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Other Matter

We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 82,376.59 lacs as at March 31, 2013, total revenues of Rs. 600.30 lacs and cash flows of Rs. (-)182.03 lacs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report of other auditors on separate financial statements and other financial information of the subsidiary companies, the 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 :

- i. In case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Group as at March 31, 2013;
- ii. In case of Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- iii. In case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Emphasis of Matter

We draw attention to Note No. 28 of the consolidated financial statements wherein the Company has obtained shareholders approval, by ways of postal ballot, for payment of remuneration to managerial personnel in the absence of adequate profits, Subsequent thereto, the Company has made application(s) with the Central Government for its approval, which is still awaited. Our opinion is not qualified in respect of this matter.

**For S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 00756N

**ARUN K. TULSIAN**  
Partner  
Membership No.: 89907

Dated : May 28, 2013  
Place : New Delhi

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

(Rs. in Lacs)

	NOTE	As at March 31, 2013		As at March 31, 2012	
<b>EQUITY AND LIABILITIES</b>					
<b>1. SHAREHOLDERS' FUNDS</b>					
a. Share Capital	2	1,145.83		1,145.83	
b. Reserves and Surplus	3	29,562.69	30,708.52	30,096.50	31,242.33
<b>2. MINORITY INTEREST</b>			5,411.87		5,866.66
<b>3. NON-CURRENT LIABILITIES</b>					
a. Long-term Borrowings	4	57,353.82		42,675.73	
b. Deferred Tax Liabilities (Net)	5	2,998.93		2,851.05	
c. Other Long term Liabilities	6	6,431.58		1,862.18	
d. Long Term Provisions	7	260.05	67,044.38	208.87	47,597.83
<b>4. CURRENT LIABILITIES</b>					
a. Short Term Borrowings	8	362.42		590.86	
b. Trade Payables	9	521.61		662.32	
c. Other Current Liabilities	10	7,178.81		3,917.99	
d. Short Term Provisions	7	432.31	8,495.15	663.30	5,834.47
			<b>111,659.92</b>		<b>90,541.29</b>
<b>ASSETS</b>					
<b>5. NON-CURRENT ASSETS</b>					
a. <b>Fixed assets</b>	11				
i. Tangible Assets		32,509.55		34,021.33	
ii. Intangible Assets		5.70		7.34	
iii. Capital work-in-progress		60,453.16	92,968.41	34,847.27	68,875.94
b. Long Term Loans and Advances	12	14,742.70		17,081.12	
c. Other Non Current Assets	17	103.54	14,846.24	117.15	17,198.27
<b>6. CURRENT ASSETS</b>					
a. Current Investments	13	-		831.00	
b. Inventories	14	937.86		351.88	
c. Trade Receivables	15	499.14		649.47	
d. Cash and Cash Equivalents	16	451.26		653.67	
e. Short-term Loans and Advances	12	1,895.82		1,886.72	
f. Other Current Assets	17	61.19	3,845.27	94.34	4,467.08
			<b>111,659.92</b>		<b>90,541.29</b>

### SIGNIFICANT ACCOUNTING POLICIES

1

Accompanying notes form an integral part of the Financial Statements

As per report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

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

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

Place : New Delhi  
Dated : May 28, 2013

**NIKHIL SETHI**  
Company Secretary

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in Lacs)

	NOTE	Year ended March 31, 2013	Year ended March 31, 2012
<b>1. INCOME</b>			
a. Revenue From Operations	18	13,555.20	13,574.55
Less : Excise Duty		8.36	(7.09)
		<u>13,546.84</u>	<u>13,567.46</u>
b. Other Income	19	120.35	420.62
Total Revenue		<u>13,667.19</u>	<u>13,988.08</u>
<b>2. EXPENSES</b>			
a. Consumption of Provisions, Beverages, Smokes and Others	20	1,272.15	1,219.61
b. Employee Benefit Expenses	21	3,623.26	3,007.55
c. Finance Cost	22	2,105.13	2,229.17
d. Depreciation and Amortization Expense	11	1,197.73	1,197.56
e. Other Expenses	23	5,586.32	5,250.06
Total Expenses		<u>13,784.59</u>	<u>12,903.95</u>
<b>3. Profit Before Tax</b>		<b>(117.40)</b>	<b>1,084.13</b>
<b>4. Tax expense</b>			
i. Current Tax		455.20	582.00
ii. Deferred Tax charge/(Credit)		147.88	28.40
iii. Earlier year tax expense		-	(0.07)
		<u>603.08</u>	<u>610.33</u>
<b>5. Profit/(Loss) after Tax</b>		<b>(720.48)</b>	<b>473.80</b>
Minority Share of Profit/(Loss)		<u>(454.79)</u>	<u>(362.52)</u>
<b>6. Profit/(Loss) for the Year</b>		<b>(265.69)</b>	<b>836.32</b>
Earning per Equity Share (Nominal value per Share Rs. 10/-) (Refer Note No 38)			
i. Basic		(2.32)	7.30
ii. Diluted		(2.32)	7.30

**SIGNIFICANT ACCOUNTING POLICIES** 1

Accompanying notes form an integral part of the Financial Statements.

As per report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

**SUSHIL GUPTA**  
Chairman & Managing Director  
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Executive (Whole-Time) Director  
DIN : 00057942

Place : New Delhi  
Dated : May 28, 2013

**NIKHIL SETHI**  
Company Secretary

# ASIAN HOTELS (WEST) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	2012-13	2011-12
	Rs.in lacs	Rs.in lacs
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>[a] Net Profit before Tax</b>	(117.39)	1,084.14
Adjustment for:		
Depreciation	1,197.73	1,197.56
Profit on sale of fixed assets	(46.61)	6.18
Dividend Income on Investment	(36.72)	(19.33)
Interest Paid	6,833.48	2,150.50
Interest Earned	(21.77)	(19.69)
	<u>7,926.11</u>	<u>3,315.22</u>
<b>[b] Operating profit before working capital charges</b>	<u>7,808.71</u>	<u>4,399.36</u>
Adjustments for:		
(Increase)/Decrease in Inventories	(585.98)	(75.13)
(Increase)/Decrease in Trade Receivables	183.77	203.90
(Increase)/Decrease in Loans and Advances & Other Asset	(34.49)	173.73
Increase/(Decrease) in Trade Payables	(140.71)	400.51
Increase/(Decrease) in Liabilities & Provisions	<u>5,026.60</u>	<u>(469.35)</u>
	<u>4,449.19</u>	<u>233.66</u>
<b>[c] Cash generated from operations</b>	<u>12,257.90</u>	<u>4,633.02</u>
Direct taxes paid (Net)	(448.28)	(584.87)
<b>Net cash from Operating Activities (A)</b>	<u>11,809.62</u>	<u>4,048.15</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(533.63)	(5,738.69)
Capital Work in Progress	-	-
Deduction/(addition) during the year	(25,605.89)	(16,545.72)
(Increase)/Decrease in advance for Capital Goods	2,377.15	(3,578.11)
Sale of fixed assets	895.91	97.14
Sale/(Purchase) of Investments	831.00	651.33
Interest Received (Capitalized)	-	0.85
Interest Received (Revenue)	-	0.47
Dividend Income on Investment	36.72	19.33
<b>Net Cash from Investing Activities (B)</b>	<u>(21,998.74)</u>	<u>(25,093.40)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Change in Capital Reserve	-	969.52
Change in Minority Interest	-	(396.54)
Repayment of Borrowings	(2,689.45)	(2,036.00)
Proceeds of Borrowings	19,392.48	23,694.87
Proceeds of Security Deposits	-	1,810.06
Interest Paid (Capitalized)	(4,802.39)	(2,144.44)
Interest Paid	(1,935.70)	(2,150.50)
Interest Earned	<u>21.77</u>	<u>19.69</u>
<b>Net Cash from Financing activities [C]</b>	<u>9,986.71</u>	<u>19,766.66</u>
<b>Net Increase/ (Decrease) in Cash Equivalent [A+B+C]</b>	<u>(202.41)</u>	<u>(1,278.59)</u>
Cash and Cash equivalent (Beginning of the year)	653.67	1,932.26
Cash and Cash equivalent (End of the year)	451.26	653.67

1 Figures in bracket represent Cash Outflow.

2 Previous Year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

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

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

Place : New Delhi  
Dated : May 28, 2013

**NIKHIL SETHI**  
Company Secretary

# ASIAN HOTELS (WEST) LIMITED

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE : 1

#### SIGNIFICANT ACCOUNTING POLICIES:

**a. Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 under the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company.

**b. Use of Estimates**

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

**c. Revenue Recognition**

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

- i. Revenue from rendering of hospitality services is recognized when the related services are performed.
- 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 hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

**d. Income in Foreign Exchange**

The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.

**e. Interest on Income Tax Refunds / Demands**

It is accounted for as income in the year when granted and as tax expense when determined by the tax authorities.

**f. Claims Recoverable**

Claims recoverable are accrued only to the extent as admitted by the parties.

**g. Expenses remittable in foreign exchange**

These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.

**h. Foreign Exchange Transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year-end are translated at the year-end rates resulting in exchange differences being recognized as income /expenses (net).

Foreign Currency balances at the year-end are converted at the year-end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

**i. Employee Benefits**

- i. Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by approved actuary using projected unit credit method.
- ii. All employees are covered under contributory provident fund benefit of a contribution of specified percentage 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 contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

**j. Taxation**

- i. Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal/adjustment of timing differences of earlier years.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- ii. Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).
- iii. Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
- iv. Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

### k. Fixed Assets and Depreciation

#### i. Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

#### ii. Depreciation

- a. Depreciation as per straight line method is charged in the accounts.
- b. The charge is on the basis of rates as prescribed under Schedule XIV to the Companies Act, 1956 pro rata from the month of purchase. If the asset is purchased on or before the 15th of month, depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.

### l. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments or short-term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognized in the Statement of Profit and Loss. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Statement of Profit and Loss. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

### m. Inventory

- i. Inventory is valued at cost or net realizable value, whichever is lower.
- ii. Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- iii. Shares held as Stock- in -trade are valued at cost or market value whichever is lower.
- iv. Net realizable value is estimated selling/ realizable value in the normal course of business less cost of completing the sale.

Cost is determined on weighted average basis.

### n. Leases

#### When the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### When the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

### o. 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, each asset/ group of assets is identified for which there are separately identifiable cash flows (cash generating units).

### p. Earnings per share

Basic earnings per share are 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.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

**q. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank, cash/ cheques in hand and fixed deposits with banks with maturity period of three months or less.

**r. Dividend**

Dividend proposed on equity shares, if any, is accounted for pending approval at the Annual General Meeting.

**s. Provisions and Contingent liabilities**

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

**t. Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

**u. Principles of Consolidation**

The Consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) – “Consolidated Financial Statements”. The Consolidated financial statements comprise the financial statements of Asian Hotels (West) Limited and its subsidiaries Aria Hotels & Consultancy Services Private Limited (Aria) (81.58% Stake) and Inovia Hotels & Resorts Limited (IHRL) (50.50% Stake), both Incorporated in India.

	As at March 31, 2013	As at March 31, 2012
	Rs. in lacs	Rs. in lacs

**NOTE -2**

**SHARE CAPITAL**

**AUTHORISED**

i.	14,000,000 (Previous year 14,000,000) Equity Shares of Rs. 10/- each	1,400.00	1,400.00
ii.	11,000,000 (Previous year 11,000,000) Preference Shares of Rs. 10/- each	1,100.00	1,100.00
		<b>2,500.00</b>	<b>2,500.00</b>

**ISSUED, SUBSCRIBED & PAID UP**

i.	11,458,303 (Previous year 11,458,303) Equity Shares of Rs. 10/-each fully paid up *	1,145.83	1,145.83
		<b>1,145.83</b>	<b>1,145.83</b>

\* Include 1,14,01,782 equity shares issued pursuant to the Scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi Vide order date 13th January, 2010.

**a. Reconciliation of the Shares outstanding at the beginning and at the end of reporting period**

	As at March 31, 2013		As at March 31, 2012	
	No of Shares	Rs. in lacs	No of Shares	Rs. in lacs
<b>i. Equity Shares of Rs 10/- each fully paid up</b>				
Balance at the beginning of the year	11,458,303	1,145.83	11,401,782	1,140.18
Add: Issued during the year	-	-	56,521	5.65
Balance at the end of the year	<b>11,458,303</b>	<b>1,145.83</b>	11,458,303	1,145.83
<b>ii. Fully Convertible Preference Shares (FCPS) of Rs. 10 each</b>				
Balance at the beginning of the year	-	-	27,780.00	2.78
Add: Issued during the year	-	-	-	-
Less: Converted into equity share	-	-	27,780.00	2.78
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### b. Rights, restrictions and preferences attached to each class of Share

The Company has two class of Shares i.e Equity and Preference having a par value of Rs. 10/- each. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### c. Details of Shareholders holding more than 5% shares in the company

Name of shareholder	As at March 31, 2013		As at March 31, 2012	
	No of Shares	% holding	No of Shares	% holding
D.S.O. Limited	5,336,880	46.58	5,336,880.00	46.58

Name of shareholder	As at March 31, 2013		As at March 31, 2012	
	Rs. in lacs	% holding	Rs. in lacs	% holding

### NOTE - 3

#### RESERVES & SURPLUS

##### A. Capital Reserve on Consolidation

Balance at the beginning of the year	2,289.57		1,320.05	
Add : During the Year	-	2,289.57	969.52	2,289.57

##### B. Capital Redemption Reserve

Balance at the beginning of the year	990.00		990.00	
Add: Transferred during the year	-	990.00	-	990.00

##### C. Debenture Redemption Reserve

Balance at the beginning of the year	518.75		168.75	
Add: Transferred from Statement of Profit & Loss	1,062.50	1,581.25	350.00	518.75

##### D. Securities Premium Reserve

Balance at the beginning of the year	144.36		147.23	
Add: Received during the year	-		-	
Less: Expenses incurred on issue of shares	-	144.36	2.87	144.36

##### E. Tourism Development Utilised Reserve

Balance at the beginning of the year	-		5,332.02	
Transferred to General Reserve	-		5,332.02	

##### F. General Reserve

Balance at the beginning of the year	15,596.00		10,128.98	
Add : Transferred from Tourism Development Utilised Reserve	-		5,332.02	
Add: Transfer from Statement of Profit & Loss	57.24	15,653.24	135.00	15,596.00

##### Surplus/(Deficit) in the Statement of Profit and Loss

Balance at the beginning of the year	10,557.82		10,687.08	
Add: Profit for the year	(265.69)		836.32	
Add: Adjustment on Consolidation	-		50.86	
Amount available for appropriation	10,292.13		11,574.26	

##### Less: Appropriations

a. Transfer to General Reserve	57.24		135.00	
b. Proposed Dividend on Equity Shares	229.17		458.33	
c. Proposed Dividend on Non Convertible Preference Shares	-		-	
d. Dividend Distribution tax	38.95		73.11	
e. Transfer to Debenture Redemption Reserve	1,062.50	8,904.27	350.00	10,557.82
		29,562.69		30,096.50

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs. in lacs

	As at March 31, 2013			As at March 31, 2012		
	Non-Current	Current	Total	Non-Current	Current	Total
<b>NOTE - 4</b>						
<b>LONG-TERM BORROWINGS</b>						
<b>A Secured</b>						
<b>a. Debentures</b>						
i. Non Convertible Debentures of Rs. 10 lacs each#	4,525.00	1,800.00	6,325.00	6,325.00	1,600.00	7,925.00
<b>b. Term Loans from</b>						
i. Banks*	52,685.33	2,809.36	55,494.69	36,300.00	800.00	37,100.00
ii. Banks - Vehicle Loans **	143.49	89.06	232.55	50.73	45.06	95.79
<b>Total</b>	<b>57,353.82</b>	<b>4,698.42</b>	<b>62,052.24</b>	<b>42,675.73</b>	<b>2,445.06</b>	<b>45,120.79</b>
Amount disclosed under the head "Other Current Liabilities" Refer Note No - 10 as :						
Current Maturities of Long-Term Debts	-	(4,698.42)	(4,698.42)	-	(2,445.06)	(2,445.06)
<b>Total</b>	<b>-</b>	<b>(4,698.42)</b>	<b>(4,698.42)</b>	<b>-</b>	<b>(2,445.06)</b>	<b>(2,445.06)</b>
<b>Net Amount</b>	<b>57,353.82</b>	<b>-</b>	<b>57,353.82</b>	<b>42,675.73</b>	<b>-</b>	<b>42,675.73</b>

### Nature of Security and Terms of Repayment

#### Debentures

# 1,000 rated, taxable, secured, redeemable, non-convertible debentures (NCD) of Rs.10 lacs each aggregating to Rs.10,000 lacs were issued to Kotak Mahindra Bank Limited on private placement basis on June 25, 2010. M/s IDBI Trusteeship Services Limited, Mumbai was appointed as the Debenture Trustee to the aforesaid NCD's. The rate of interest on these NCDs has been linked to Kotak Mahindra Banks Prime lending Rate (PLR) less 5% p.a. The outstanding balance of Rs. 6,325 lacs as on March 31,2013 (Previous year 7,925 lacs) is secured by way of first pari passu charge on all existing and future moveable fixed assets and immovable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2013 is repayable in 12 unequal quarterly installments ranging from Rs. 450 lacs to Rs. 660 lacs.

#### Term Loans

\* The outstanding balance of Rs. 2,800 lacs as on March 31,2013 (Previous year 3,600 lacs) out of sanctioned loan of Rs. 4,500 lacs is secured by way of first pari passu charge on all existing and future moveable fixed assets and immovable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2013 is repayable in 12 unequal quarterly installments ranging from Rs. 250 lacs to Rs. 275 lacs.

During the year under review, the Company was Sanctioned additional borrowing facilities aggregating to Rs. 4000 Lacs from the Kotak Mahindra Bank Limited (the Bank) out of which Company has availed Rs. 3384.97 lacs as on 31st March, 2013 repayable by way of 24 unequal quarterly installments starting from Sep. 2014 ranging from Rs.21.15 Lacs to Rs. 200.98 Lacs.

The above facilities are inter alia secured by first pari passu charge on all existing and future moveable fixed assets and immovable properties being land & building of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director.

The outstanding balance of Rs. 45,785 lacs as on March 31,2013 (Previous year Rs. 30,000 lacs) is secured by first mortgage and charge on all the Borrowers immovable properties pertaining to the Project, both present and future (save and except Project Site) , moveable fixed assets pertaining to the Project, both present and future (save and except Current Assets), Escrow Account, (or any account in substitution thereof), including without limitation, any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto and all intangibles of the Borrowers including but not limited to goodwill, rights, undertakings and uncalled capital, present and future. A second charge on all Current Assets, including but not limited to stock, receivables in respect of the Project, both present and future as well as all bank accounts, excluding the Escrow Account, or any account in substitution thereof and any other accounts and all funds from time to time deposited therein and in all Authorised Investments or other securities representing all amounts credited thereto. An assignment by way of security of the right, title and interest of the Company in, to and under the Project Documents, all the contracts, the approvals and Insurance Contracts, any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents, assignment of all rights, titles, benefits arising out of the grant of license to the Borrowers as per the Development Agreement between DIAL and the Borrower dated July 4, 2009 and Personal Guarantee of Mr. Sushil Gupta, Chairman and Managing Director. The outstanding balance as on March 31, 2013 is repayable in 36 unequal quarterly installments starting from June 30, 2013.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The outstanding balance of Rs. 3,500 lacs as on March 31, 2013 (Previous year Rs. 3,500 lacs) is secured by first and exclusive hypothecation charge on all existing and future current & movable assets of the borrower (both present & future) and all the piece parcel of the land bearing survey number 23, now bearing Corporation No. 1577 & admeasuring 34450 square feet and situated in Kundalahalli village, Krishnarajapuram & installations, fitments and plant & machinery, if any, affixed to the earth or permanently affixed to something attached to the earth and Personal Guarantee of one of the Directors. The outstanding balance as on March 31, 2013 is repayable in 90 monthly installments.

The outstanding balance of Rs. 24.72 lacs as on March 31, 2013 (Previous year Rs. Nil) is secured by first and exclusive hypothecation charge on all existing and future current & movable assets of the borrower (both present & future) and all the piece parcel of the land bearing survey number 23, now bearing Corporation No. 1577 & admeasuring 34450 square feet and situated in Kundalahalli village, Krishnarajapuram & installations, fitments and plant & machinery, if any, affixed to the earth or permanently affixed to something attached to the earth and Personal Guarantee of one of the Directors. The outstanding balance as on March 31, 2013 is repayable in 90 monthly installments.

\*\* The outstanding balance of Rs. 232.44 lacs as on March 31, 2013 (Previous year 94.32 lacs) from bank/corporate body against Vehicle / Equipment loans are secured by hypothecation of vehicles and equipments. The outstanding balance as on March 31, 2013 is repayable upto Nov, 2017 on monthly installments ranging from Rs.0.42 lacs to Rs. 1.07 lacs.

	As at March 31, 2013	Charge/ (Credit) during the year	As at March 31, 2012
	Rs. in lacs	Rs. in lacs	Rs. in lacs
<b>NOTE- 5</b>			
<b>DEFERRED TAX LIABILITIES (NET)</b>			
<b>A. Deferred Tax Liabilities</b>			
i. Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	3,129.82	151.28	2,978.54
	<b>3,129.82</b>	<b>151.28</b>	<b>2,978.54</b>
<b>B. Deferred Tax Assets</b>			
i. Impact of expenses for retirement benefits charged to the statement of profit and loss in the current year but allowed for tax in future years	114.61	17.79	96.82
ii. Provision for doubtful debts and advances	-	(3.17)	3.17
iii. Impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	16.28	(11.22)	27.50
	<b>130.89</b>	<b>3.40</b>	<b>127.49</b>
<b>Net Deferred Tax Liability</b>	<b>2,998.93</b>	<b>147.88</b>	<b>2,851.05</b>

	As at March 31, 2013	As at March 31, 2012
	Rs. in lacs	Rs. in lacs

## NOTE - 6

### OTHER LONG TERM LIABILITIES

i. Security Deposits	6,382.56	1,814.16
ii. Earnout Advances *	48.02	48.02
iii. Earnest Money Received	1.00	-
	<b>6,431.58</b>	<b>1,862.18</b>

\* Earnout amount is an advance amount received by IHRL from Choice International for selling Company's shareholding in Choice Hospitality (India) Pvt Ltd to Choice International. The said amount is advance consideration received for the aforesaid transaction

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

and is to be determined on the basis of financial results of Choice Hospitality (India) Pvt Ltd for the financial year 2014-15.

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
<b>NOTE - 7</b>				
<b>PROVISIONS</b>				
<b>A. Provision for employee benefits</b>				
i. Gratuity (Refer Note No. 34)	179.30	103.81	152.36	90.36
ii. Leave Encashment (Refer Note No. 34)	80.75	17.37	56.51	4.17
<b>B. Other Provisions</b>				
i. Provision for Taxation (Net of Advance Income Tax and TDS Rs. 2178.20 lacs (Previous year Rs 1,734.19 lacs))	-	43.01	-	36.09
ii. Proposed Dividend (including Dividend Distribution Tax)		268.12	-	532.68
	<b>260.05</b>	<b>432.31</b>	208.87	663.30

	As at March 31, 2013	As at March 31, 2012
	Rs. in lacs	Rs. in lacs

## NOTE - 8

### SHORT TERM BORROWINGS

Loans repayable on Demand-From Banks on Cash Credit (Secured)	362.42	590.86
<b>Total</b>	<b>362.42</b>	<b>590.86</b>

The outstanding balance of Rs. 284.36 lacs as on March 31, 2013 (Previous year 512.10 lacs) out of sanctioned limit of Rs. 650 lacs (including adhoc limit of Rs. 150 lacs) is secured by way of exclusive charge on all existing and future current assets of Hotel Hyatt Regency, Mumbai and by Personal Guarantee of Mr Sushil Gupta, Chairman and Managing Director.

The outstanding balance of Rs. 78.06 lacs ( Previous year Rs 78.76) is secured against first and exclusive hypothecation charge on all existing and future current and movable assets of the borrower ( both present and future). First & exclusive charge on all that piece and parcel of land bearing survey no. 23, now bearing corporation No. 1577 and admeasuring 34450 square feet and situated in kundalahalli village, Krishnarajapuram, installations, fitments and plant & machinery, if any, affixed to the earth or permanently affixed to something attached to the earth. The loan is secured by personal guarantee of one of the director and Corporate guarantee of the holding Company.

	As at March 31, 2013	As at March 31, 2012
	Rs. in lacs	Rs. in lacs

## NOTE - 9

### TRADE PAYABLES

Trade Payables*	521.61	662.32
<b>Total</b>	<b>521.61</b>	<b>662.32</b>

\* Includes due to Micro, Small and Medium enterprises (to the extent information is available with the company) **10.22** 5.94

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2013	As at March 31, 2012
	Rs. in lacs	Rs. in lacs
<b>NOTE - 10</b>		
<b>OTHER CURRENT LIABILITIES</b>		
a. Current Maturities of Long-term debt	4,698.43	2,445.06
b. Advance From Customers	275.74	264.81
c. Sundry Creditors for capital goods (including retention money and others)	547.10	42.60
d. Unpaid Dividend*	14.93	9.53
e. Interest accrued but not due	200.36	104.95
f. <b>Other Payables</b>	-	
i. Withholding & Other Taxes	516.31	277.42
ii. Expenses	751.15	565.81
iii. Accrued Salaries & Benefits	154.33	121.16
iv. Security Deposits	20.46	20.56
v. Other Liabilities	-	66.09
<b>Total</b>	<b>7,178.81</b>	<b>3,917.99</b>

\* There are no amounts due and outstanding to be credited to the Investor Education & Protection Fund.

## NOTE - 11 FIXED ASSETS

(Rs. in Lacs)

Particulars	Tangible Assets							Intangible Assets		Capital Work In Progress
	Land - Freehold	Land - Leasehold	Buildings	Furniture Fixture & Furnishings	Plant & Machinery	Vehicles	Total	Software	Total	
<b>Gross Block</b>										
At March 31, 2011	10,069.22	-	14,791.65	2,747.74	9,126.51	587.17	37,322.27	-	-	16,241.60
Additions	-	-	27.82	9.01	56.44	87.52	180.77	-	-	18,613.72
Adjustment due to acquisition of new subsidiary	1,044.45	-	2,818.24	390.91	1,364.07	8.82	5,626.49	10.40	10.40	75.12
Sales /Adjustment /Transfer	-	-	-	-	28.35	89.04	117.38	-	-	83.17
<b>At March 31, 2012</b>	<b>11,113.67</b>	<b>-</b>	<b>17,637.71</b>	<b>3,147.67</b>	<b>10,518.67</b>	<b>594.46</b>	<b>43,012.15</b>	<b>10.40</b>	<b>10.40</b>	<b>34,847.27</b>
Additions	-	3.78	82.23	0.64	156.89	290.10	533.63	-	-	25,605.89
Sales /Adjustment /Transfer	781.91	-	10.33	0.98	117.97	53.31	964.49	-	-	-
<b>At March 31, 2013</b>	<b>10,331.76</b>	<b>-</b>	<b>17,709.61</b>	<b>3,147.33</b>	<b>10,557.58</b>	<b>831.26</b>	<b>42,581.29</b>	<b>10.40</b>	<b>10.40</b>	<b>60,453.16</b>
<b>Depreciation</b>										
At March 31, 2011	-	-	1,913.49	1,958.48	3,639.33	303.28	7,814.57	-	-	-
Charge for the year*	-	-	287.31	297.50	528.86	76.18	1,189.86	1.69	1.69	-
Adjustment due to acquisition of new subsidiary	-	-	22.93	19.93	40.47	0.31	83.63	1.38	1.38	-
Sales /Adjustment /Transfer	-	-	-	-	14.98	82.26	97.24	-	-	-
<b>At March 31, 2012</b>	<b>-</b>	<b>-</b>	<b>2,223.72</b>	<b>2,275.91</b>	<b>4,193.69</b>	<b>297.51</b>	<b>8,990.83</b>	<b>3.06</b>	<b>3.06</b>	<b>-</b>
Charge for the year	-	-	288.03	295.88	529.82	82.35	1,196.09	1.64	1.64	-
Sales /Adjustment /Transfer	-	-	1.68	0.90	67.34	45.26	115.18	-	-	-
<b>As at March 31, 2013</b>	<b>-</b>	<b>-</b>	<b>2,510.07</b>	<b>2,570.90</b>	<b>4,656.16</b>	<b>334.60</b>	<b>10,071.73</b>	<b>4.70</b>	<b>4.71</b>	<b>-</b>
<b>Net Block</b>										
At March 31, 2012	11,113.67	-	15,413.99	871.75	6,324.98	296.96	34,021.32	7.34	7.34	34,847.27
<b>As at March 31, 2013</b>	<b>10,331.76</b>	<b>-</b>	<b>15,199.54</b>	<b>576.43</b>	<b>5,901.42</b>	<b>496.65</b>	<b>32,509.55</b>	<b>5.70</b>	<b>5.69</b>	<b>60,453.16</b>

\* Does not include Rs. 6.02 lacs changed to depreciation from expenditure during construction in the previous year.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Capital Work-in Progress represents:

	<b>31st March 2013</b>	31st March 2012
	<b>(Rs in lacs)</b>	(Rs in lacs)
<b>Statement of Expenditure during Construction</b>		
Building under construction	<b>17,080.72</b>	10,436.08
Furniture & Fixtures under erection	<b>7,204.35</b>	1,974.57
Other Operating Equipment under Installation	<b>3,336.71</b>	969.40
Technical/ Consultancy Fees	<b>2,627.56</b>	2,077.36
Mock Up Room cost	<b>78.84</b>	78.84
Plumbing & Sanitation	<b>2,302.97</b>	1,541.18
Air Conditioning under installation	<b>1,946.42</b>	1,256.18
Electrification under installation	<b>3,902.52</b>	1,653.46
Elevators under installation	<b>562.41</b>	533.50
Custom Duty Recoverable ^	<b>30.44</b>	30.44
Payments to Delhi International Airport Private Limited (DIAL)		
- Advance Development Costs	<b>6,358.00</b>	6,358.00
- Licence Fees	<b>2,793.85</b>	2,021.82
Laundry and Other Equipments installation	<b>303.34</b>	-
Expenditure during construction (refer note below)	<b>11,803.55</b>	5,799.27
	<b>60,331.68</b>	34,730.11

^ During the year 2011-12 certain goods imported by the Company under EPCG Licence were seized under Section 110 of the Customs Act, 1962 on ground of alleged mis-declaration of ITC HS Codes. The Company applied for the amendment of its EPCG licence to Directorate General of Foreign Trade (DGFT). Further, the Company also requested for the provisional release of the said goods and same was allowed by the Commissioner of Customs, ICD, Tughlakabad, New Delhi on (a) execution of a Bond equivalent to the value of seized goods i.e. Rs. 12,810,507/-; (b) on execution of Bank Guarantee amounting Rs. 1,300,000/- in favour of President of India through Dy. Commissioner of Customs and (c) on payment of differential duty amounting to Rs. 3,043,649/-

### Statement of Expenditure during Construction

	<b>31st March 2013</b>	31st March 2012
	<b>(Rupees)</b>	(Rupees)
- Salary & Wages	<b>520.63</b>	234.36
- Leave Encashment expense	<b>22.28</b>	3.68
- Gratuity expense	<b>9.37</b>	2.69
- Company contribution to PF	<b>20.47</b>	-
- Staff welfare	<b>6.94</b>	-
- Contractual Obligation	<b>142.46</b>	-
- Legal & Professional Charges (Including loan processing and arranging fees)	<b>1,335.01</b>	1,183.86
- Auditors' remuneration	-	-
- Certification charges	-	0.25
- Service Tax reimbursement	-	0.03
- Rent	<b>41.08</b>	18.82
- Rates & Taxes	<b>75.58</b>	8.43
- Meeting & Conference	<b>5.70</b>	4.80
- Travelling Directors	<b>24.09</b>	12.39

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March 2013	31st March 2012
	(Rupees)	(Rupees)
- Travelling Others	95.01	41.59
- Advertisement for project staff recruitment Expenses	0.04	0.04
- Repair and maintenance	-	7.16
- Vehicle Upkeep	22.51	8.95
- Electricity Gas & Water Charges	306.11	7.72
- Communication expenses	6.29	3.49
- Insurance expenses	46.43	18.64
- Interest on Loans	9,074.17	4,271.78
Less: Interest on Fixed Deposit {Tax deducted at source during the year Rs. 3,04,699/- (Previous year:2,808)}	(97.07)	(66.64)
- Bank Guarantee and other charges	19.82	17.78
- Finance Charges	2.67	2.67
- Miscellaneous Expenses	35.76	16.79
Equipment Hire Charges	49.74	-
Freight and Cartage	19.86	-
Trial Run Consumption	25.72	-
	<b>11,810.65</b>	<b>5,799.27</b>
Less: Trial Run Revenue	7.10	-
	<b>11,803.55</b>	<b>5,799.27</b>

As at March 31, 2013		As at March 31, 2012	
Non Current	Current	Non Current	Current
Rs. In lacs		Rs. In lacs	

### NOTE - 12

#### LOANS AND ADVANCES (unsecured considered good)

<b>A. Capital Advances *</b>	1,925.32	-	4,302.47	-
<b>B. Security Deposits **</b>	12,791.33	104.77	12,778.65	42.48
<b>C. Others</b>				
i. Advances recoverable in cash or in kind				
a. Considered good	17.32	781.61	-	1,309.43
b. Considered doubtful	-	-	-	9.78
Less : Provision for doubtful advances	-	-	-	(9.78)
ii. Prepaid Expenses	-	238.34	-	138.33
iii. Advance to Suppliers/Contractors	-	285.36	-	99.45
iv. Advance to Employees	8.73	8.75	-	10.18
v. Balances with Statutory Authorities	-	476.99	-	286.85
	<b>14,742.70</b>	<b>1,895.82</b>	17,081.12	1,886.72

\* Includes due from Export Trade Corporation, Hongkong an Enterprises owned by directors and their relatives.

\*\* In terms of the Development Agreement with DIAL, to secure the payment of the annual Licence Fee and the performance of all other obligations under the Development Agreement, it was agreed to pay to DIAL an interest free Security Deposit of Rs. 12,742.26 Lacs (Previous Year 12,742.26 Lacs), refundable at the expiry of the term of the said Agreement unless extended.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
<b>NOTE - 13</b>		
<b>CURRENT INVESTMENTS</b>		
Non-Trade Investments (Valued at cost unless stated otherwise)		
MUTUAL FUND		
i. NIL (Previous Year 5,748,108.61) units of Rs. 10 each of HDFC Cash Management Fund-TAP-Retail	-	576.62
ii. NIL (Previous Year 2,531,812.88) units of Rs. 10 each of Kotak Flexi Debt Fund	-	254.38
	-	831.00
<b>Cost of quoted investments</b>	-	831.00
<b>Market value of quoted investments</b>	-	831.00

	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
<b>NOTE - 14</b>		
<b>INVENTORIES</b>		
(As Taken, Valued and Certified by the Management)		
i. Wines & Liquor	84.84	129.86
ii. Provisions, Other Beverages and Smokes	30.94	33.77
iii. Crockery, Cutlery, Silverware, Linen etc.	678.52	121.23
iv. General Stores and Spares	140.71	63.87
v. Shares in Trade	2.85	3.15
<b>Total</b>	<b>937.86</b>	<b>351.88</b>

	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
<b>NOTE - 15</b>		
<b>TRADE RECEIVABLES (Unsecured, considered good unless other stated)</b>		
<b>A. OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DUE DATE</b>		
i. Considered Good	24.07	144.01
ii. Considered Doubtful	8.19	13.78
Less: Provision for Doubtful Debts	(8.19)	(13.78)
<b>B. OUTSTANDING FOR A PERIOD LESS THAN SIX MONTHS FROM THE DUE DATE</b>		
i. Considered Good	475.07	505.46
<b>Total</b>	<b>499.14</b>	<b>649.47</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
	Rs. in lacs		Rs. in lacs	
<b>NOTE - 16</b>				
<b>CASH AND CASH EQUIVALENTS</b>				
<b>A. Cash and Cash Equivalents</b>				
i. Balances with banks in Current Accounts	-	343.31	-	401.19
ii. Deposits with original maturity of less than 3 months	-	7.08	-	-
iii. Cash Balance	-	18.57	-	14.58
iv. Cheques in hand	-	19.13	-	187.96
	-	388.09	-	603.73
<b>B. Other bank balances</b>				
i. Dividend accounts	-	14.93	-	9.53
ii. Margin Money*	92.81	-	96.66	26.91
iii. Deposits with original maturity of more than 3 months but less than 12 months**	-	48.24	7.40	13.50
iv. Deposits with original maturity of more than 12 months***	1.45	-	-	-
	94.26	63.17	104.06	49.94
	94.26	451.26	104.06	653.67
Amount disclosed under Other Non current assets (Note 17)	94.26	-	104.06	-
	-	451.26	-	653.67

\* Margin Money with a carrying amount of Rs. 1,500,000 (31st March 2012: Rs. 375,000) is under lien as bank guarantee given to Karnataka State Pollution Control Board & Rs. 7,780,510 (31st March 2012: Rs. 11,981,503) is under lien as bank guarantee for EPCG licence.

\*\* Includes under lien against bank guarantee issued to Asstt./Deputy Commissioner of Customs.

\*\*\* Includes under lien against bank guarantee issued to concerned authorities for Value added tax registration.

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current	Non Current	Current
	Rs. in lacs		Rs. in lacs	
<b>NOTE - 17</b>				
<b>OTHER ASSETS</b>				
i. Interest accrued on fixed deposits	9.28	1.03	13.09	0.75
ii. Non Current Bank Balances (Refer Note No.16)	94.26	-	104.06	-
iii. Unbilled Revenue	-	60.16	-	93.59
	103.54	61.19	117.15	94.34

## NOTE - 18

### REVENUE FROM OPERATIONS

#### SALE OF SERVICES

	Year ended	Year ended
	March 31, 2013	March 31, 2012
	Rs. in lacs	Rs. in lacs
i. Rooms	8,712.68	8,885.86
ii. Wines and Liquor	591.69	597.59
iii. Food, Other Beverages, Smokes & Banquets	3,410.03	3,117.37
iv. Communications	123.33	134.96
v. Others	717.48	838.77
<b>Total</b>	<b>13,555.20</b>	<b>13,574.55</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2013	Year ended March 31, 2012
	Rs. in lacs	Rs. in lacs
<b>NOTE - 19</b>		
<b>OTHER INCOME</b>		
i. Interest Income	21.77	19.69
ii. Dividend on Investments	36.72	19.33
iii. Loss/Gain on Sale of Fixed Assets	46.61	
iv. Miscellaneous Income	15.27	381.60
<b>Total</b>	<b>120.36</b>	<b>420.62</b>
<b>NOTE - 20</b>		
<b>CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES AND OTHERS</b>		
<b>A. WINES &amp; LIQUOR</b>		
Opening Stock	129.86	80.12
Add : Purchases	144.04	231.63
	<u>273.90</u>	<u>311.75</u>
Less : Closing Stock	84.84	129.86
	<u>189.06</u>	<u>181.89</u>
<b>B. FOOD, PROVISIONS, OTHER BEVERAGES AND SMOKES</b>		
Opening Stock	33.77	27.96
Add : Purchases	1,073.83	1,043.53
	<u>1,107.60</u>	<u>1,071.49</u>
Less : Closing Stock	24.51	33.77
	<u>1,083.09</u>	<u>1,037.72</u>
<b>Total</b>	<b>1,272.15</b>	<b>1,219.61</b>
<b>NOTE - 21</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages, Allowances & Commission	2,533.01	2,134.46
Contribution to Gratuity, Provident and Other Funds	239.83	150.70
Staff Welfare Expenses	379.54	411.75
Contract Labour & Services	470.88	310.64
	<u>3,623.26</u>	<u>3,007.55</u>
<b>NOTE - 22</b>		
<b>FINANCE COST</b>		
<b>a. Interest on</b>		
i. Debentures	986.61	1,177.78
ii. Term Loans	1,029.72	962.07
iii. Vehicle loans & Others	14.76	10.65
<b>b. Other Borrowing Cost</b>	<b>74.04</b>	<b>78.67</b>
<b>Total</b>	<b>2,105.13</b>	<b>2,229.17</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2013	Year ended March 31, 2012
	Rs. in lacs	Rs. in lacs
<b>NOTE - 23</b>		
<b>OTHER EXPENSES</b>		
i. Linen, Room, Catering and Other Supplies/Services	295.09	219.24
ii. Operating equipments and Supplies written off	112.45	112.91
iii. Fuel, Power and Light (Net)	1,202.07	1,083.44
iv. Repairs, Maintenance and Refurbishing*	857.67	987.61
v. Rent	49.61	51.14
vi. Rates and Taxes	281.17	83.54
vii. Insurance	77.47	63.46
viii. Directors' Sitting Fee	8.86	11.78
ix. Legal and Professional Expenses	302.16	344.57
x. Artist Fee	1.55	2.24
xi. Stationery and Printing	67.00	63.22
xii. Travelling and Conveyance	376.81	370.23
xiii. Communication Expenses	116.13	120.30
xiv. Technical Services	623.81	621.86
xv. Advertisement and Publicity	300.74	231.32
xvi. Commission and Brokerage	666.40	664.17
xvii. Charity & Donation	34.63	27.29
xviii. Provision for doubtful debt/advances (Net)	-	0.55
xix. Gain/Loss on Trading of Shares/Derivatives	0.29	1.29
xx. Loss on Fixed Assets Sold/Discarded (Net)	-	6.18
xxii. Gain/Loss on foreign exchange	2.66	28.92
xxiv. Miscellaneous	209.75	154.80
Total	<b>5,586.32</b>	<b>5,250.06</b>
* Include		
Repair & Maintainance - Building	180.18	258.89
Repair & Maintainance - Plant & Machinery	349.31	463.74
Repair & Maintainance - Others	328.17	264.98

24. Contingent Liabilities not provided for in respect of:

(Rs. in lacs)

S. No.	Particulars	As At March 31, 2013	As At March 31, 2012
i.	Duty Saved against Export obligation	3815.85	2725.07
ii.	Corporate Guarantees on behalf of Subsidiaries	6,629.28	5,763.72
iii.	Demand raised by Service Tax Authorities and contested by the company.	512.00	61.49
iv.	Dividend on Cumulative Preference Shares not Paid/ Declared	2.50	0.82

25. Pursuant to the Scheme of Arrangement & Demerger, Hyatt Regency, Mumbai was transferred to and vested in the Company. The Company has applied to the concerned authority for adjudication of stamp duty applicable on conveyance of the property title in favour of the Company, which has not been ascertained. Maximum liability which could be levied is estimated at Rs. 1500 lacs.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26. Capital and other Commitments : (Rs. in lacs)

Particulars	2012-13	2011-12
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	5,483.22	14,397.66
Loan Commitments	257.00	12,292.00
Other Commitments	148.39	-

27. IHRL has received the notice from BBMP for payment of property tax amounting to Rs. 69.34 Lacs. IHRL has disputed the said assessment of Property Tax and has filed a writ petition in high court of Karnataka. IHRL has deposited Rs. 6.05 lacs on the basis of interim order of the court dated March 24, 2011. Adjustment, if any, for this liability will be made on disposal of writ petition and no provision has been made for disputed unpaid amount.

28. During the financial year, in terms of requirement of Clause 1(C) of Section II of Part II of Schedule XIII to the Companies Act, 1956 the Company has obtained shareholders approval, by way of Postal Ballot, for payment of remuneration to the Managerial Personnel in the absence of adequate profits. Subsequent thereto, the Company has made application(s) with the Central Government for its approval, which is still awaited.

29. Company has received refund of Rs. 55.56 lacs out of Rs. 95.94 lacs towards the amount paid under protest for the Service Tax demand raised in earlier years. The petition is already filed with Tribunal Authorities and hence been included under "Loans and Advances" as "Claims Recoverable" based on the progress made in the matter so far. Further Company has received notice dated December 10, 2012 (Appeals)-IV Central Excise, Mumbai Zone-I against refund order of Rs.55.56 lacs passed by Assistant Commissioner of Service Tax Div-III Mumbai and directed to file cross objections to prove that burden of tax has been borne by the claimant & not passed on.

30. The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books.

31. As the company is engaged in only one segment of Hotel business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.

32. A) Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the Company:

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2013	As at March 31, 2012
a.	Not later than one year	814.50	791.28
b.	Later than one year and not later than five years	3731.28	3536.76
c.	Later than five years	31627.14	32636.16
B)	Future commitments in respect of minimum Sub lease payments (Sub License Fees) receivable in case of non cancellable agreements entered into by the Company with various parties:		

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2013	As at March 31, 2012
a.	Not later than one year	39.68	23.48
b.	Later than one year and not later than five years	193.72	184.42
c.	Later than five years	1816.95	1701.25

33. Auditors Remuneration (Exclusive of Service Tax):

(Rs in Lacs)

S. No.	Particulars	Year ended March 31, 2013	Year ended March 31, 2012
a.	Statutory Audit Fee	14.50	14.50
b.	Tax Audit Fee	3.50	3.50
c.	Limited Review Fee	4.50	4.50
	<b>Total</b>	<b>22.50</b>	<b>22.50</b>

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

### 1. Defined contribution plans

a. Provident fund

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 2. Defined benefits plans

- a. Contribution to Gratuity fund
- b. Compensated absences – Earned leave

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

#### Economic Assumptions

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

#### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 8 % 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 taken into account. Again a long- term view as to the trend in salary increase rates is taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

- a. The following tables set out the unfunded status of the gratuity plan and earned leaves and amounts recognized in the Company's financial statements as at March 31, 2013

#### i. Change in benefit obligations:

(Rs. in Lacs)

Particulars	Gratuity (Unfunded)				Compensated absences Earned leave (unfunded)			
	2012-13	2011-12	2010-11	2009-10	2012-13	2011-12	2010-11	2009-10
Present value of obligations as at the beginning of the year	242.72	204.72	182.77	-	60.67	47.50	34.78	-
Transferred pursuant to the Scheme of Arrangement and Demerger	-	-	-	175.05	-	-	-	31.77
Current service cost	37.72	36.22	34.79	13.39	39.73	21.20	19.75	6.19
Interest cost	27.06	19.89	14.62	7.00	4.86	3.81	2.78	1.27
Benefit Paid	(24.62)	(22.19)	(26.28)	(16.26)	(12.59)	(5.82)	(8.88)	(4.97)
Actuarial (gain)/ loss on obligation	0.22	4.06	(1.18)	3.59	5.43	(6.02)	(3.22)	0.52
<b>Present value of obligations as at the year end</b>	<b>283.11</b>	<b>242.71</b>	<b>204.72</b>	<b>182.77</b>	<b>98.10</b>	<b>60.67</b>	<b>45.21</b>	<b>34.78</b>

#### ii. Expenses recognised in the Statement of Profit and Loss :

(Rs. in Lacs)

Current service cost	37.72	36.22	34.79	13.39	39.73	21.20	19.75	6.19
Interest cost	27.06	19.89	14.62	7.00	4.86	3.81	2.78	1.27
Actuarial (gain)/ loss on obligation	0.22	4.06	(1.18)	3.59	5.43	(6.02)	(3.22)	0.52
<b>Present value of obligations as at the year end</b>	<b>65.01</b>	<b>60.17</b>	<b>48.23</b>	<b>23.98</b>	<b>50.02</b>	<b>18.99</b>	<b>19.31</b>	<b>7.98</b>

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### iii. Amount recognized in balance Sheet :

(Rs. in Lacs)

Particulars	Gratuity (Unfunded)				Compensated absences Earned leave (unfunded)			
	2012-13	2011-12	2010-11	2009-10	2012-13	2011-12	2010-11	2009-10
Present value of obligations as at the end of the year	283.11	242.71	204.72	182.77	98.10	60.67	45.21	34.78
Fair value of plan assets as at the end of the period	-	-	-	-	-	-	-	-
Funded status / Difference	(283.11)	(242.71)	(204.72)	(182.77)	(98.10)	(60.67)	(45.21)	(34.78)
Excess of actual over estimated	-	-	-	-	-	-	-	-
Unrecognized actuarial (gain)/ losses	-	-	-	-	-	-	-	-
Net assets/ (liability) recognized in the balance sheet	(283.11)	(242.71)	(204.72)	(182.77)	(98.10)	(60.67)	(45.21)	(34.78)

### iv. Principal Actuarial Assumptions:

Particulars	Refer Note below	Year ended 31-Mar-13	Year ended 31-Mar-12	Year ended 31-Mar-11	Year ended 31-Mar-10
Discount rate (p.a.)	1	8%	8%	8%	8%
Salary escalation rate (p.a.)	2	7%	7%	7%	7%

#### Notes:

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

#### Demographic assumptions:

- Retirement age 58 years
- Mortality rate Published rates under LIC (1994-96) mortality table.

35. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows: -

#### a. List of related parties

##### (i) Entities in respect of which the subsidiary company Aria Hotels and Consultancy Services Private Limited is an Associate

- IIRF India Realty XVI limited, Mauritius, the Associate Company (a company of IL&FS Group)

##### (ii) Key Management Personnel

- Mr. Sushil Gupta - Chairman & Managing Director)
- Mr. Sudhir Gupta - Executive (Whole-Time) Director
- Mr. Sandeep Gupta - Executive (Whole-Time) Director

##### (iii) Relatives of Key Management Personnel

- Mrs. Vinita Gupta
- Mrs. Gunjan Jain
- Mrs. Madhu Jain

##### (iv) Entities over which Directors and their relatives can exercise significant influence

- Eden Park Hotels Private Limited
- M/s Bhasin & Co.
- Aria Investments & Holdings Limited
- Aria International Ltd
- M/s Chaman Lal Gupta & Sons
- Export Trade Corporation, Hongkong
- CLG Hotels and Resorts Private Limited

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### b. Balances outstanding/transactions with related parties

(Rs. in Lacs)

Particulars	Key Management Personnel	Relative of Key Management Personnel	Entities Controlled By Directors & their relatives	Total
<b>Transactions during the year</b>				
<b>(i) Purchases/Services availed during the year</b>				
Bhasin & Co	- (-)	- (-)	1.86 (4.13)	1.86 (4.13)
Eden Park Hotels Private Ltd	- (-)	- (-)	0.06 (0.34)	0.06 (0.34)
<b>(ii) Sales/Services Provided during the year</b>				
Eden Park Hotels Private Ltd	- (-)	- (-)	6.54 (16.18)	6.54 (16.18)
<b>Expenses Paid</b>				
Eden Park Hotels Private Ltd	- (-)	- (-)	129.29 (22.03)	129.29 (22.03)
<b>Income Received</b>				
Interest Income	- (-)	- (7.00)	- (-)	- (7.00)
<b>(iii) Managerial Remuneration</b>				
Mr. Sushil Gupta	95.68 (86.49)	- (-)	- (-)	95.68 (86.49)
Mr. Sudhir Gupta	82.56 (73.91)	- (-)	- (-)	82.56 (73.91)
Mr. Sandeep Gupta	82.56 (59.44)	- (-)	- (-)	82.56 (59.44)
Aria Investments & Holdings Limited - Purchase of Shares	- (-)	- (-)	- (630.00)	- (630.00)
<b>Purchase of Fixed Assets</b>				
Export Trade Corporation, HongKong	- (-)	- (-)	1,388.45 (-)	1,388.45 (-)
Aria International Ltd	- (-)	- (-)	38.22 (-)	38.22 (-)
Eden Park Hotels Pvt. Ltd	- (-)	- (-)	15.90 (-)	15.90 (-)
<b>(vi) Balances outstanding at the Year end</b>				
<b>Account Payable</b>				
Bhasin & Co.	- (-)	- (-)	0.13 (0.15)	0.13 (0.15)
<b>Advance Receivable/Security deposit</b>				
Eden Park Hotels Pvt Ltd	- (-)	- (-)	2.48 (3.69)	2.48 (3.69)
Export Trade Corporation, HongKong	- (-)	- (-)	- (1,364.69)	- (1,364.69)

36. The Board of Directors of the company has approved availing of the benefit under the General Circular No: 2/2011 dated 8th February 2011 exempting the company from attaching with the Balance Sheet of the company a copy of the balance sheet, statement of profit and Loss etc. of each of its subsidiary.
37. An interim application for temporary injunction has been filled against IHRL before the city civil judge at Bangalore on the land acquired for the Bangalore project. However the management is hopeful of favourable verdict in favour of the Company and it does not envisage any liabilities on account of legal proceedings and hence no provision has been made therefor.

# ASIAN HOTELS (WEST) LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 38. Earning Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

S. No.	Particulars	Units	Year ended March 31, 2013	Year ended March 31, 2012
a.	Net profit/ (loss) after tax	Rs./ Lacs	(265.69)	836.32
b.	Profit available for equity shareholders	Rs./ Lacs	(265.69)	836.32
c.	Weighted average of number of equity shares used in computing basic earnings per share	No.	11,458,303	11,458,303
d.	Basic earnings per share	Rs.	(2.32)	7.30
e.	Weighted average of number of equity shares including potential dilutive shares	No.	11,458,303	11,458,303
f.	Diluted earnings per share	Rs.	(2.32)	7.30

Subject to the provisions of Investment Agreement entered into between the company, subsidiary company Aria and the promoters, Statutory and Other approvals, if any, Asian Hotels (West) Limited (AHWL) and Aria Hotels and Consultancy Services Private Limited (Aria) shall provide the investors the exit option after March 31,2013 by way of merger of Aria with AHWL or swap of investors Securities with equity shares of AHWL or otherwise. However, in case of Exit through AHWL, the investors shall be entitled for not more than 14% (fourteen percent) of the issued and paid up share capital of AHWL, on a fully diluted basis. However, since the option is not exclusive and subject to certain conditions/ approvals, with number of shares not being determined, impact of future dilutive potential equity shares has not been considered in calculating diluted earnings per share.

### 39. Details of share held as Stock- in- trade is as under:

Rs. in lacs

Name of the Company	No. of Shares		Cost/Market Value whichever is lower	
	As at March 31, 2013	As at March31, 2012	As at March 31, 2013	As at March 31, 2012
ICICI Bank Limited	70	70	0.73	0.62
Reliance Capital Limited	500	500	1.56	1.96
State Bank of India	27	27	0.56	0.56
<b>Total</b>			<b>2.85</b>	<b>3.14</b>

### 40. Foreign Currency Exposures :

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

(Rs. in Lacs)

Particulars	Foreign Currency (FC)	Amount in FC (In lacs)	Amount in INR (In lacs)
Accounts payable	USD	5.51	300.05
		(44.05)	(2276.46)
	Sterling Pound	-	-
		(0.02)	(1.43)
	EURO	-	-
		(1.49)	(100.93)
	SGD	-	-
		(0.17)	(6.77)
	HKD	-	-
		(0.16)	(1.06)

There is no hedged foreign currency exposure.

Figures in brackets relate to the previous year.

### 41. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

As per report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS-

For **S.S. KOTHARI MEHTA & CO.**  
Chartered Accountants

**ARUN K. TULSIAN**  
Partner  
Membership No. 89907

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

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

Place : New Delhi  
Dated : May 28, 2013

**NIKHIL SETHI**  
Company Secretary

# ASIAN HOTELS (WEST) LIMITED

Regd. Office: E-Basement, Clarion Collection, The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016

## PROXY FORM

I / We ..... resident(s) of ..... being a Member / Members of Asian Hotels (West) Limited, hereby appoint Mr./Mrs. .... resident of ..... as my / our proxy to attend and vote for me / us, on my / our behalf, at the 6th Annual General Meeting of the Company to be held on Friday, 30th August, 2013, and at any adjournment thereof in the following manner:

Item No. of the notice convening this meeting	Vote 'FOR'	Vote 'AGAINST'	NOTE
	(Tick in the appropriate column)		
Item No. 1.			In case the member does not exercise his option instructing the proxy to vote in a specific manner, the proxy would be free to exercise his options.
Item No. 2.			
Item No. 3.			
Item No. 4.			
Item No. 5.			

As witness my / our hands this ..... day of ....., 2013.  
(Date) (Month)

Registered Folio No./ DP ID No. and Client ID No. ....

No. of shares held.....

Affix  
Rupee One  
Revenue  
Stamp

Signature(s)

**Note: This proxy form must be deposited at the Registered Office of the Company not less than forty eight hours before the time of holding the meeting.**

TEAR HERE

# ASIAN HOTELS (WEST) LIMITED

Regd. Office: E-Basement, Clarion Collection, The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016

## ATTENDANCE SLIP

Name of the person (s) attending (1) ..... (2) .....

Father / Husband's Name (1) ..... (2) .....

Registered Folio No./ Client ID No. and DP ID No. .... No. of shares held .....

If proxy or second / third joint holders, name of first shareholder .....

I / We hereby record my / our presence at the 6th Annual General Meeting of the Company held at Air Force Auditorium, Subroto Park, New Delhi - 110 010 on this 30th August, 2013 at 3.00 P.M.

Signature(s)

### IMPORTANT

- This attendance slip duly filled in and signed may please be handed over at the entrance of the meeting hall.
- If the particulars contained herein are incorrect / missing, the Company reserves the right to withhold entry.
- Accompanying children / non-members will not be allowed.
- Shareholders are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.**

TEAR HERE





**ASIAN HOTELS (WEST) LIMITED**

Regd. Office : E Basement, Clarion Collection, The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016  
Telephone No.011-46101208 / 46101210, Fax No. 011-46101202  
Website : [www.asianhotelswest.com](http://www.asianhotelswest.com)

REGISTERED OFFICE :  
E-BASEMENT, CLARION COLLECTION  
THE QUTAB HOTEL  
SHAHEED JEET SINGH MARG  
NEW DELHI-110016  
TEL.: 011 46101210 FAX: 011 46101202

## ASIAN HOTELS (WEST) LIMITED

21<sup>st</sup> August, 2013

To  
Manager  
Listing Department  
The Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400001

Script Code: 533221

To  
Manager  
Listing Department  
The National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400051

Script Code: AHLWEST

Subject: 6<sup>th</sup> Annual Report

Dear Sir/Madam,

Pursuant to Clause 31(a) of the Listing Agreement, please find enclosed six copies of 6<sup>th</sup> Annual Report of the company for the Financial Year 2012-13.

### Form A

1	Name of the Company	Asian Hotels (West) Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Matter of Emphasis (Refer Page 15, Para no 5 of the Annual Report)

OWNERS OF :



