

ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India

Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 www.ahleast.com

CIN: L15122WB2007PLC162762

9th July, 2019

→ The Manager
Listing Department

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

Tel: (022 2272 8013)

Fax: (022 2272 3121)

The Manager

Listing Department

National Stock Exchange of India Ltd.

Exchange Plaza

Plot No. C/1, G Block,

Bandra - Kurla Complex

Bandra (E), Mumbai - 400 051

Tel: (022) 2659 8235/36

Fax: (022) 2659 8237/38

Type of Security: Equity shares

Scrip Code : 533227

Type of Security: Equity shares

NSE Symbol : AHLEAST

The Manager

Central Depository Services (India)
Limited

Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel,
Mumbai- 400013

The Manager

National Securities Depository Limited

Trade World, 4th Floor, H

Kamala Mills Compound

Senapati Bapat Marg, Lower Parel,

Mumbai- 400013

Dear Madam(s)/ Sir(s),

Sub: i) Annual Report along with Notice of the 12th AGM

ii) Intimation of Book Closure pursuant to Regulation 42 of the Listing Regulations, 2015

Pursuant to Regulation 34 and clause 12 of Part A of Schedule III read with regulation 30 of the Listing Regulations, 2015 we hereby enclose the Annual Report of the Company for the financial year ended 31st March, 2019 along with the Notice of 12th Annual General Meeting of the Company to be held on Monday, the 5th August, 2019 at 04:00 P.M. at the Registered Office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata-700098, West Bengal, India.

A copy of the Annual Report of the Company for the financial year ended 31st March, 2019 along with Notice of 12th Annual General Meeting is also available on the website of the company at www.ahleast.com.

Further, pursuant to Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Register of Member and Share Transfer Books of the Company will remain closed from 27th July, 2019 to 5th August, 2019 (both days inclusive) for taking record of the members of the Company for the purpose of declaration of dividend for the financial year ended 31st March, 2019.

Type of Security	Book closure both days inclusive		Record Date	Purpose
	From	To		
Equity Shares	27 th July, 2019	5 th August, 2019	26 th July, 2019	Declaration of dividend for the financial year ended 31 st March, 2019

OWNER OF



HYATT
REGENCY™
KOLKATA

ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 098, W.B., India

Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 www.ahleast.com

CIN: L15122WB2007PLC162762

Kindly take the same on record and display the same on your website.

This is for your ready record and reference.

Please acknowledge the receipt.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited



Saumen Chatterjee
Chief Legal Officer &
Company Secretary



C.C: Mr. M. V. K. Subrahmanyam
General Manager - RIS
Karvy Fintech Private Limited
"Karvy Selenium Tower B",
Plot No. 31 and 32, Gachibowli,
Finance District, Nanakramguda,
Serilingampally, Hyderabad-500032
Telengana, India

Encl: as above

OWNER OF



HYATT
REGENCY™
KOLKATA



ASIAN HOTELS (EAST) LIMITED

12th Annual Report and Accounts 2018-19

Hyatt Regency
Kolkata



Hyatt Regency
Chennai



BOARD'S REPORT

Radhe Shyam Saraf	— Chairman
Arun Kumar Saraf	— Joint Managing Director
Umesh Saraf	— Joint Managing Director
Amal Chandra Chakrabortti	— Independent Director
Rama Shankar Jhawar	— Independent Director
Padam Kumar Khaitan	— Independent Director
Rita Bhimani	— Independent Women Director

CFO & VICE PRESIDENT – CORPORATE FINANCE

Bimal Kumar Jhunjhunwala

CHIEF LEGAL OFFICER & COMPANY SECRETARY

Saumen Chatterjee

AUDITOR

Singhi & Co.
Chartered Accountants
161, Sarat Bose Road
Kolkata - 700 026

BANKERS

IDBI Bank Limited
Standard Chartered Bank
State Bank of India
HDFC Bank Limited

REGISTERED OFFICE

Hyatt Regency Kolkata
JA-1, Sector-III, Salt Lake City
Kolkata - 700 098, W. B., India
Tel. No. 033-2517 1009/1012
Fax No. 033-2335 8246
www.ahleast.com
CIN: L15122WB2007PLC162762

REGISTRAR & SHARE TRANSFER AGENT

Karvy Fintech Private Limited
Karvy Selenium Tower B
Plot No. 31 & 32, Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad - 500 032, Telangana, India
Tel : +91 40 23312454
Fax No. 040-23420814
E-mail: mailmanager@karvy.com

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BOARD'S REPORT

Dear Members,

Your Board has pleasure in presenting the 12th Annual Report of the Company together with the audited financial statements of the Company for the financial year ended on 31st March, 2019.

FINANCIAL HIGHLIGHTS

Your Company's performance for the financial year ended on 31st March, 2019 is summarised as under:

Particulars	Standalone (Rs. in lacs)		Consolidated (Rs. in lacs)	
	2018-19	2017-18	2018-19	2017-18
Gross Revenue	10,344.25	10,213.96	20,235.23	18,962.30
Profit before Depreciation, Finance Costs, Tax and Exceptional items	2,936.08	2,417.65	5,260.14	4,438.14
Less : Depreciation	492.39	543.60	2,795.05	2,982.63
Less : Finance Cost	0	0	1,446.18	1,622.76
Profit before Tax & Exceptional Item	2,443.69	1,874.05	1,018.91	-167.25
Add/(Less) Exceptional Item	0	0	0	0
Profit/(Loss) before tax	2,443.69	1,874.05	1,018.91	-167.25
Tax Expenses (including Deferred Tax)	665.63	399.76	665.63	406.49
Profit after Tax	1,778.06	1,474.29	353.28	-573.74
Other Comprehensive Income	471.33	218.93	472.23	210.30
Total Comprehensive Income for the period	2,249.39	1,693.23	825.51	-363.44

TRANSFER TO RESERVES

During the financial year 2018-19, an amount of ₹ 150 lakhs (₹ 150 lakhs last year) has been transferred to General Reserve out of the amount available for appropriation.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of ₹ 2.50/- per equity share (previous year ₹ 2.50/- per equity share) on 11,527,797 equity shares of ₹ 10/- each for the year ended on 31st March, 2019. The total cost to the Company on account of dividend payment will be ₹ 347.43 lakhs including dividend distribution tax of ₹ 59.23 lakhs resulting in a payout of 16.21% of the standalone profits after tax of the Company.

BUSINESS OVERVIEW AND OPERATING PERFORMANCE/ STATE OF COMPANY'S AFFAIRS

During the financial year 2018-19, Hyatt Regency Kolkata (the hotel) has been successful in securing major project-based business and sustain its leading position in wedding related business in the city. The hotel has been largely successful in booking all the relevant wedding dates during the last year. In spite of increased competition, the hotel managed to maintain its 2nd rank on RevPAR level through innovative pricing technique and market mix which, in turn, did boost up the customer experience, loyalty build up, to achieve repeat revenue.

During the financial year 2018-19, there were no material changes and commitments affecting financial position of the Company which have occurred in the period to which the financial statements and the report relate. Further, there has been no change in the nature of business of the Company.

SUBSIDIARY COMPANIES

The Company has two subsidiaries, namely, GJS Hotels Limited, a wholly owned and a material unlisted Indian Subsidiary, Regency Convention Centre and Hotels Limited, an unlisted Indian Subsidiary and one step-down subsidiary, Robust Hotels Private Limited. There has been no significant developments in the matters concerning the subsidiaries during the year under review.

With reference to GJS Hotels Limited, the Company has filed plans with Bhubaneswar Municipal Corporation (BMC) for its hotel project on the leasehold land. The sanction of the plans is awaited. Further, as required, the Company has also filed necessary applications with the appropriate authorities for issuance of fire safety recommendations, connection of electricity for the project-work and for clearance certificate from the office of the Director of Culture cum Competent Authority, Odisha Circle, Bhubaneswar on archaeological distance clearance from the hotel site.

The Company is yet to get the permission of the Govt. of Odisha, GA Department to start construction of the hotel project at the plot as the time period for the completion of the hotel project in terms of Lease Deed has expired. The Company is hopeful of a getting appropriate extension and has been actively following with the concerned Department in order to start the construction of the hotel project at the earliest.

As regards Regency Convention Centre and Hotels Limited (Regency), the slow progress of Suit No. 6846 of 1999 in the High Court of Judicature at Bombay in last twenty (20) years and pursuant to the understanding with the other shareholders of Regency, the Company considered the prospect of amicable settlement of the disputes. After examining all available options, your Company intends to make Regency a wholly-owned subsidiary by buying out the shareholding of the other shareholders subsequent to 31st March, 2019.

Asian Hotels (East) Limited

The Company has also entered into an agreement with Mumbai International Airport Limited (MIAL), Mumbai to subsequently sell its 100% investment in Regency subject to fulfillment of certain conditions and withdraw the Suit No. 6846 of 1999 in the High Court of Judicature at Bombay to amicably settle the dispute. The Company expects to complete the sale of its subsidiary in the current financial year on favorable terms and a best possible price.

Robust Hotels Private Limited (RHPL) which owns and operates Hyatt Regency Chennai (Chennai Hotel) is pleased to report the operating performance of Rs. 98.96 crores which is the highest achieved by the Chennai Hotel so far. This has been possible mainly due to the lifting of liquor ban imposed by the Government last year and increased sales efforts undertaken by the Chennai Hotel.

The opening of the metro rail in front of the Chennai Hotel and its connectivity to the airport and the city is a welcome development and likely to help the Chennai Hotel to achieve better occupancy and rates. Overall the hospitality industry in India as also in Chennai is likely to witness growth both in terms of room rates and occupancy. The Chennai Hotel is taking various initiatives to reduce both direct and indirect overheads in order to improve the profitability.

Your directors are hopeful that these efforts will result in better financial performance of the Chennai Hotel in the coming years

In terms of proviso to sub section (3) of Section 129 of the Companies Act, 2013, a statement containing salient features of the financial statement of each of the subsidiaries of the Company in Form AOC-1 is annexed herewith marked as **Annexure I** to this Report. The audited financial statement of each of the subsidiaries has also been uploaded on the website of the Company viz. www.ahleast.com.

None of the subsidiary companies has ceased to be a subsidiary during the financial year nor any other company has become a subsidiary during the financial year. Your Company does not have any joint venture company, holding company and associate company during the financial year under review.

The Consolidated Financial Statements of the Company are prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) and forms an integral part of this report.

SCHEME OF ARRANGEMENT

On 31st October 2017, the Company filed a Scheme of Arrangement, proposing the merging of investment division of GJS Hotels Ltd (GJS), a wholly-owned subsidiary with it before NCLT, Kolkata Bench and NCLT, Chennai Bench. The Scheme also provides for reorganization of the securities of RHPL, a step-down subsidiary. Pursuant to Sections 230 and 232 of the Companies Act, 2013, the Board of Directors of the Company had approved the Scheme on 10th February, 2017. The Scheme has been sanctioned by the National Company Law Tribunal (NCLT), Kolkata Bench vide its order dated 6th February, 2019. However, the Company is awaiting the sanction of the Scheme by the National Company Law Tribunal (NCLT), Chennai Bench. The Scheme would be effective once the order from the NCLT, Chennai Bench is passed.

GJS holds equity shares, debentures and cumulative redeemable optional convertible preference shares (Securities) in its subsidiary RHPL valued at cost of ₹ 204,58,48,608/-, ₹ 205,00,00,000/- and ₹ 192,73,93,945/- respectively i.e., aggregating ₹ 602,32,42,553/- as on 31st March 2016 being the appointed date. These Securities form part of investment division of GJS. Once the Scheme becomes effective, all the Securities held by GJS in RHPL will stand transferred to the Company and RHPL will become a direct wholly owned subsidiary of the Company. After the Scheme, the net worth of GJS will become negative which will raise the issue about it being a going concern and therefore, a letter of comfort has been provided by the Company as a commitment to support GJS financially.

AUDITORS & AUDITORS' REPORT

M/s. Singhi & Co., Chartered Accountants, (Firm Registration No. 302049E), was appointed as the Statutory Auditors of the Company at the Annual General Meeting (AGM) held on 28th July, 2017 for a period of five (5) consecutive years. They have submitted a certificate confirming that their appointment is in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

The report of the Statutory Auditors along with the notes to accounts is enclosed to this report and contains an Unmodified Opinion. The report does not contain any qualification, reservation, adverse remark or disclaimer. Also, no offence of fraud was reported by the Auditors of the Company.

INTERNAL AUDITOR

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, your Board based on the recommendation of the Audit Committee, appointed M/s. S.S. Kothari Mehta & Co. to conduct internal audit for the financial year 2018-19. The said appointment ceased to be effective on 31st March, 2019. The Board has appointed M/s. S.S. Kothari Mehta & Co. as the Internal Auditor for the financial year 2019-20.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013, your Board had appointed M/s. D. Raut & Associates, Practicing Company Secretary, to undertake Secretarial Audit of your Company for the financial year 2018-19. The Secretarial Audit Report in Form MR-3 for the financial year ended 31st March, 2018 is annexed herewith marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The appointment of M/s. D. Raut & Associates, Practicing Company Secretary, ceased to be effective on 31st March, 2019. In its place, the Board has appointed M/s. Abhijit Majumdar & Associates, Practicing Company Secretary as the Secretarial Auditor of your Company for the financial year 2019-20.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Company's Articles of Association, Mr. Radhe Shyam Saraf (DIN:00017962), Director, retires by rotation and, being eligible, offers himself for reappointment at the ensuing Annual General Meeting. The Board recommends his reappointment.

No Director or Key Managerial Personnel was appointed or has resigned during the financial year 2018-19.

Asian Hotels (East) Limited

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION AND NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees, Chairperson and Directors. The manner in which such formal annual evaluation was made by the Board during the year 2018-19 is given below:

- Performance evaluation criteria for Board, Committees of the Board and Directors were reviewed and approved by the Board at its meeting held on 25th May, 2017, in terms of SEBI's Guidance Note dated 5 January 2017 on Board Evaluation, and the same were placed on the Company's website www.ahleast.com
- At a separate meeting of Independent Directors held on 19th March, 2019, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account views of Executive and Non-Executive Directors.
- The report of performance evaluation so arrived at was then noted and discussed by the Board at their respective meetings.
- The same was discussed at the next Board Meeting at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board excluding the Independent director being evaluated. The Directors have expressed their satisfaction with the evaluation process and the performance results.

Your Company had adopted a Nomination & Remuneration Policy for the Directors, KMP and other employees of the Company as recommended by Nomination and Remuneration Committee at its meeting held on 31st March, 2017 which is annexed as **Annexure III** to this Report.

BOARD DIVERSITY

The Company recognizes and believes that a diverse Board will enhance the quality of the decisions made by the Board by utilizing different skills, qualifications, professional experiences, knowledge, gender, ethnicity, background and other distinguished qualities etc. of the members of the Board, necessary for effective corporate governance, sustainable and balanced development.

The Board recognizes the importance of a diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity. The Board diversity policy is available on our website: www.ahleast.com.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Sections 134(3)(c) and 134(5) of the Companies Act, 2013 for the preparation of the annual accounts for the financial year ended 31st March, 2019 and based upon representations from the Management, the Board states that:

- a) in the preparation of the annexed accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit of the Company for that year;
- c) 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;
- d) the said accounts on a going concern basis;
- e) internal financial controls to be followed by the Company have been laid down and that internal controls are adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws have been devised to ensure such systems are adequate and operating effectively.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, pertaining to conservation of energy, technology absorption and foreign exchanges earning and outgo to the extent possible in the opinion of your Directors, is annexed hereto being **Annexure IV** and forming part of this Report.

PARTICULARS OF PERSONNEL

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure V** to this Report.

Details of employee remuneration as required under provisions of section 197(12) of the Act read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report. However, the reports and accounts are being sent to the shareholders excluding the aforesaid remuneration. Any shareholder interested in inspection of the documents pertaining to the above information or desiring a copy thereof may write to the Chief Legal Officer & Company Secretary.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered by the Company during the financial year under review were in the ordinary course of business and on arm's length basis. There were no contracts or arrangements entered into by the Company in accordance with the Section 188 of the Companies Act, 2013 and there was no material related party transactions in terms of Regulation 23 of the Listing Regulations. Thus, disclosure as required in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not relevant to the Company at present. Prior omnibus approval was obtained for related party transactions which are repetitive in nature and entered in the ordinary course of business and are at arm's length. All related party transactions were placed before the Audit Committee for review on a quarterly basis.

The Policy on related party transactions and dealing with related party transactions as approved by the Board can be accessed on the Company's weblink: <http://ahleast.com/policiespdf/Policy%20on%20Related%20Party%20Transaction.pdf>. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The details of the transactions with related parties are set out in Notes to the Standalone and Consolidated Financial Statements pursuant to Ind AS.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

Pursuant to Schedule V of Regulation 34(3) of the Listing Regulations, Report on Management Discussion and Analysis as **Annexure-VI** and Corporate Governance Report as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure-VII** and Compliance Certificate on Corporate Governance from the Company's Auditors are annexed to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As required under Section 135 of the Companies Act, 2013, the Company had made the CSR expenditure during the financial year 2018-19. The Company implements the CSR projects directly. The details of such initiatives, CSR spend, etc., for the financial year 2018-19 are annexed and marked as **Annexure-VIII** to this report.

Besides the above, the hotel has been involved in many CSR activities under "Hyatt Thrive" umbrella. The focus area during the financial year 2018-19 was working with NGOs towards empowering youth and extending the support for diverse projects. Celebrating the Global Month of service in April 2018, generating funds for NGO by selling old newspapers, Women's Day Celebration at Girls Home run by LittleBigHelp were the highlights of various activities conducted over the year. Further, the hotel also organized Handmade Jewellery Exhibition for the women of Little Big Help providing them a platform to showcase their creativity and to generate revenue. Our team members also participated in various Marathons during the year. The Team at the Company created various other energizing experiences by volunteering in social activities like participating in Jungle Crow Winter Camp etc., in addition to monetary contribution in the entire financial year 2018-19.

The Company's CSR Policy formulated in accordance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is available on the Company's website: www.ahleast.com.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the reporting is done to the Chairman of the Audit Committee of the Board.

The Audit Committee monitors and evaluates the efficacy and adequacy of internal control systems in your Company, its compliance with operating systems, accounting procedures and policies of your Company. Based on the Internal Audit Report, the Management undertakes corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board. In the view of the Statutory Auditors of the Company, the internal financial controls with respect to financial reporting were adequate and operating effectively during the financial year.

RISK MANAGEMENT

Your Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Companies Act, 2013 to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance your Company's competitive advantage. In your company, risks are carefully mapped and a risk management framework is involved.

Your Company is faced with risks of different types, each of which need varying approaches for mitigation. Details of various risks faced by your Company and their mitigation are provided in the Management Discussion and Analysis.

DISCLOSURES:

A) EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return of the Company in form MGT-9, as required under Section 92(3) of the Companies Act, 2013 is annexed as **Annexure-IX** to this Report.

B) MEETINGS OF THE BOARD

During the financial year 2018-19, the Board of Directors had four (4) meetings. These were held on 9th May, 2018, 30th July, 2018, 13th November, 2018 and 13th February, 2019. The details in relation to attendance at the meetings are disclosed in the Corporate Governance section which forms a part of this report.

C) COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises of three (3) Directors amongst which two (2) are Independent Non-Executive Directors, namely Mr. Amal Chandra Chakrabortti and Mr. Rama Shankar Jhawar and one (1) is Joint Managing Director namely Mr. Umesh Saraf. There have been no instances during the financial year when recommendations made by the Audit Committee were not accepted by the Board. The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

D) SECRETARIAL STANDARDS OF ICSI

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

E) VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has adopted a Whistle Blower Policy to provide a mechanism for the Directors and employees to report genuine concerns about any unethical behavior, actual and suspected fraud or violation of your Company's Code of Conduct. No person has been denied access to the Chairman of the Audit Committee. The provisions of the policy are in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 22 of the Listing Regulations. The vigil mechanism/whistle blower policy can be accessed on the Company's website: www.ahleast.com

During the year under review, the Company did not receive any complaint under the policy.

F) DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always shown concerns to each and every employee working in the organization. It has zero tolerance towards sexual harassment at workplace and has an Internal Complaints Committee to consider and redress complaints of sexual harassment. The Company has also adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder with the objective of providing safe working environment for the benefit of the employees. During the calendar year 2019, the Company has received no complaints on sexual harassment.

G) PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITY PROVIDED

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

H) PARTICULARS OF REMUNERATION

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

I) GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions on these items during the financial year 2018-19 under review:

- i) Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- iv) The Joint Managing Directors of the Company did not receive any remuneration or commission from any of its subsidiaries.
- v) No significant or material orders were passed by the Regulators or Courts or Tribunals which could impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

Your Board express their deep sense of appreciation for the contribution made by the employees to the significant improvement in the operations of the Company.

The Directors also thank all associates including customers, the Government of India, Government of West Bengal, Government Agencies, Hyatt Hotels Corporation, U.S.A., Bankers, Suppliers, Shareholders and others for their continuous co-operation and support.

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN : 00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhawar
Director
(DIN: 00023792)

ANNEXURE- I

FORM AOC-1

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

**Statement containing salient features of the financial statement of
subsidiaries or associate companies or joint ventures**

Part "A": Subsidiaries

(in ₹)

Sl. No.	Particulars			
1.	Name of the subsidiary	GJS Hotels Limited	Regency Convention Centre and Hotels Limited	Robust Hotels Private Limited
2.	The date since when subsidiary was acquired	31-10-2009	31-10-2009	26-07-2012
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	INR	INR	INR
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	-
5.	Share capital	10,96,10,000	15,53,570	1,54,17,38,290
6.	Reserves & surplus	1,49,68,93,051	(11,51,498)	1,17,47,68,931
7.	Total assets	4,83,69,21,491	2,07,49,316	5,83,73,93,096
8.	Total Liabilities (excluding Share Capital and Reserves & Surplus)	3,23,04,18,440	2,03,47,244	3,12,08,85,875
9.	Investments (excluding Investment in Subsidiary)	-	-	3,55,22,200
10.	Turnover (i)	8,49,85,813	-	98,96,14,832
11.	Profit/Loss before taxation	8,37,75,423	(2,14,270)	(22,60,39,318)
12.	Provision for taxation	-	-	-
13.	Profit/Loss after taxation	8,37,75,423	(2,14,270)	(22,60,39,318)
14.	Proposed Dividend	-	-	-
15.	% of shareholding	100%	62.44%	100%#

Notes :

- GJS Hotels Limited and Regency Convention Centre and Hotels Limited are yet to commence commercial activities and currently is not operational.
- None of the subsidiaries have been liquidated or sold during the financial year.
- Turnover includes Other Income.
- Part B of the Annexure is not applicable to the Company as there are no Associates and Joint Venture of the Company as on 31st March, 2019.
80.53% held through GJS Hotels Limited.

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhavar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Kolkata
10th May 2019

Bimal Kr Jhunhunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

To,
The Members
Asian Hotels (East) Limited
Hyatt Regency Kolkata, JA-1
Sector - 3, Salt Lake City
Kolkata- 700 098

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; -
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;-
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -(Not applicable as the Company has not delisted / propose to delist its equity share from any stock exchange during the financial year under review).
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;-
(Not applicable as the Company has not bought back / propose to bought back its securities during the financial year under review).
- (vi) As identified by the Company, following other laws are applicable to the Company:
 - a. The Sarais Act, 1867;
 - b. Guidelines for Classification of Hotels by Ministry of Tourism, Government of India, 2010;
 - c. The West Bengal Entertainment- cum- Amusement Tax Act, 1982;
 - d. Foreigners Registration (Application and Amendment) Act, 1962;
 - e. West Bengal Police Act, 1952;
 - f. Food Safety and Standards Act, 2006 and Food Safety and Standards Act, 2011;
 - g. Explosives Act, 1884;
 - h. The Luxury Tax Act, 1996.
 - i. West Bengal Fire Services Act, 1950.

Asian Hotels (East) Limited

- j. The Sexual Harassment of Women at Workplace Act, 2013.

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

- i. Secretarial Standard issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange.

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

We further report that:

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were following specific events/actions having a major bearing on Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.: -

Scheme of Arrangement

A Scheme of Arrangement among GJS Hotels Limited (GJS), The Company and Robust Hotels Private Limited (RHPL) (the Scheme) was filed with Hon'ble NCLT in October 2017. The Scheme deals with demerger of investment division of GJS to the Company and reorganization of share capital and debentures of RHPL. The Hon'ble NCLT vide its order dated 21st December, 2017 as modified by an order dated 4th January, 2018 directed the companies to conduct separate meeting of equity shareholders and unsecured creditors. Accordingly separate meeting of shareholders and unsecured creditors in this regard took place 21st February, 2018 and which was also approved by them. A petition has been filed with Hon'ble NCLT on 28th March, 2018. The Scheme has been sanctioned by the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench on 6th February, 2019 and pending for sanction before the Hon'ble NCLT, Chennai Bench.

The management has informed that the Scheme will be effective when it is sanctioned by both the Hon'ble NCLT, Kolkata & Chennai Benches.

For **D. Raut & Associates**
Company Secretaries

Debendra Raut
Proprietor

ACS-16626, CP-5232

Place: Kolkata
Date: 10th May, 2019

This Report is to be read with the annexure as enclosed.

Annexure:-

To,
The Members
Asian Hotels (East) Ltd.

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

Management's Responsibility :

1. It is the responsibility of the management of the Company to maintain the Secretarial records and to devise proper systems to ensure compliance of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. The Compliance of the provisions of the Act, and other applicable laws, rules, regulations, standards is the responsibility of management.

Responsibility of Secretarial Auditor :

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

Disclaimer :

4. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **D. Raut & Associates**
Company Secretaries

Debendra Raut
Proprietor

ACS-16626, CP-5232

Place: Kolkata
Date: 10th May, 2019

Asian Hotels (East) Limited
Nomination and Remuneration Policy

Introduction:

In terms of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 19 and Part D of Schedule-II of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) a listed company shall constitute a Nomination and Remuneration committee (the Committee) consisting of three or more non-executive directors out of which not less than one half shall be independent directors and the Chairman of the Committee shall be an independent director. The Board at its meeting held on 25th May, 2017 had amended and approved the policy.

Role of the Committee:

The role of the Committee shall be governed by the applicable provisions of the Companies Act, 2013 and rules made thereunder and Listing Regulations.

Constitution of the Nomination and Remuneration Committee:

The Board has changed the nomenclature of Remuneration Committee constituted on 22nd February, 2010 by renaming it as Nomination and Remuneration Committee on 22nd May, 2014. The Nomination and Remuneration Committee comprises of following Directors:

- Mr. Rama Shankar Jhavar – Independent Director (Chairman)
- Mr. Padam Kumar Khaitan – Independent Director (Member)
- Mr. A. C. Chakrabortti – Independent Director (Member)

Applicability:

The Nomination and Remuneration Policy (the Policy) is applicable to Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

Frequency of Meetings:

The meeting of the Committee shall be held at such regular intervals as may be required. However, a minimum of one meeting every financial year is mandatory.

Secretary:

The Company Secretary of the Company shall act as Secretary of the Committee.

Policy relating to the appointment and removal of Director, KMP and Senior Management Personnel:

The appointment/ re-appointment/ removal and term/tenure of Director, KMP and Senior Management Personnel be determined by the Committee and recommended to the Board for approval and the same shall be governed by the applicable provisions of the Companies Act, 2013 or rules made thereunder or under any other applicable act, rules and regulations.

Policy relating to the remuneration for the Director, KMP and Senior Management Personnel:

The remuneration / compensation / commission/ fee etc. to the Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval and the same shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder and other applicable act, rules and regulations.

Review and Amendment

The Board may, subject to applicable Listing Regulations and Companies Act, 2013 & the Rules made thereunder review and amend any provision(s) with the new provision(s) or replace the policy entirely with a new Policy, based on the recommendations of the Nomination & Remuneration Committee.

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN : 00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhavar
Director
(DIN: 00023792)

ANNEXURE - IV

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of energy–

- (i) the steps taken or impact on conservation of energy;
 - (ii) the steps taken by the company for utilizing alternate sources of energy;
 - (iii) the capital investment on energy conservation equipments;
 - a. Guest room writing tables, bedside & pedestal LED lights replaced 7 w (261 no's) & 9 w (745 no's) instead of 18 w & 11 w.
 - b. Garden light LED replaced 18 w instead of 70 w. (30 no's) & Work in progress.
 - c. Chiller running hours reduce 1327 hrs. compare to last year. (compare to Apr-17- Mar-18-running 10805 hrs. to Apr-18-Mar-19-running 9478 hrs.)
 - d. Driveway LED light replaced 72 w instead of 150 w (33 no's)
 - e. Replacement of existing 11 watts CFL lights to 9-watt LED light in front of vanity counter total-46 no's room completed & work in progress
 - f. Garden light LED replaced 6 w instead of 50 w. (50 no's) work in progress.
 - g. In front of guest lift landing Installed LED strip 107 x 6 =642 watts instead of 336 x 6=2016 watts T-5 Tube.5th,6th & 7th floor completed.
 - h. Water saved 9743 kl (compare to Apr-17- Mar-18 consumed 168807kl to Apr-18-Mar-19-consumed 159064 kl)
- There were no new investment made during the financial year under review.

(B) Technology absorption –

- (i) the efforts made towards technology absorption;
 - (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
 - (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
 - (iv) the expenditure incurred on Research and Development.
- The Company has arrangement with Hyatt Group for up-gradation of its systems and procedures, market network and also for latest technology involved in e-commerce and digitalization. This is an ongoing process and the Company has developed appropriate mechanism for absorption of such latest technology, as are prevailing in the hospitality industry, for matching challenges and competition.

1. Oracle Opera E19 upgrade

- End of day financial imbalance issues within Opera
 - Critical Security fixes
 - Country-specific fiscal printing enhancements
 - Provides the necessary services that allow Colleague Advantage to provide highly anticipated additional functionality
- Cost - INR 45,747/-

2. Internet Bandwidth Upgrade

- At par with Brand Stand and to enhance the Guest experience Internet bandwidth had been increased to 200 Mbps
 - At the same time enhanced the Admin Bandwidth to 40 Mbps with lesser price than the earlier 10 Mbps.
- Cost – INR 14,50,000/-

(C) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Foreign Exchange Earned-INR 18,25,25,199/-

Foreign Exchange Outgo-INR 4,83,92,983/-

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN : 00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhawar
Director
(DIN: 00023792)

ANNEXURE - V

Information as per Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Name	Designation	Remuneration (Rs.)	Nature of Employment	Qualification	Experience in (Years)	Date of commencement of employment	Age in (Years)	Previous employment	% of Shares held in the Company	Whether related to any director
(A) The names of top ten employees in terms of remuneration drawn:											
1	Umesh Saraf	Joint Managing Director	1,90,62,270.	Full Time	Graduate, B.Sc	30	01-May-10	54	Asian Hotels Limited	0.21	Director
2	Arun Kumar Saraf	Joint Managing Director	1,85,76,000	Full Time	Post Graduate, Major in Economics and Business Administration	34	04-Aug-10	60	Juniper Hotels Private Limited	0.08	Director
3	Brigit Holm	General Manager	15,397,454	Full Time	Graduate	31	19-Dec-16	51	Dusit Devarana, Delhi	Nil	No
4	Bimal Kr. Jhunjhunwala	Chief Financial Officer & V.P. Corp. Finance	4,291,353	Full Time	Bcom(H), ACA, ACS	32	01-May-10	58	Juniper Hotels Private Limited	Nil	No
5	Saumen Chatterjee	Chief Legal Officer & Company Secretary	3,994,323	Full Time	Bcom(H), LLB, ACS	24	01-Aug-09	48	Bennett Coleman & Co. Limited	Nil	No
6	Amit Paul	Director of Sales & Marketing	3,238,497	Full Time	MBA in Marketing	19	18-Jul-16	40	Westin Dhaka	Nil	No
7	Clement D Cruz	Executive Chef	2,541,930	Full Time	High School	25	26-Dec-12	48	Lux Maldives	Nil	No
8	Sujas Nameth	Director of F&B Service	2,383,347	Full Time	High School	21	18-Mar-14	42	Park Hyatt Chennai	Nil	No
9	PJ Mammen	Chief Operating Officer	2,260,979	Full Time	Diploma in Hotel Management	40	05-Oct-17	58	M'far Hotels & Resorts	Nil	No
10	Isha Pareek	Finance Controller	1,133,812	Full Time	CA, CS	12	02-Jul-18	32	Chalet Hotels Co. Ltd.	Nil	No
(B) Personnel who are in receipt of remuneration aggregating not less than Rs. 1,02,00,000 per annum and employed throughout the year:											
1	Umesh Saraf	Joint Managing Director	1,90,62,270	Full Time	Graduate, B.Sc	30	01-May-10	54	Asian Hotels Limited	0.21	Director
2	Arun Kumar Saraf	Joint Managing Director	1,85,76,000	Full Time	Post Graduate, Major in Economics and Business Administration	34	04-Aug-10	60	Juniper Hotels Private Limited	0.08	Director
3	Brigit Holm	General Manager	15,397,454	Full Time	Graduate	31	19-Dec-16	51	Dusit Devarana, Delhi	Nil	No
(C) Personnel who are in receipt of remuneration aggregating not less than Rs. 8,50,000 per month and employed for part of the year:											
1											
(D) Personnel who are in receipt of remuneration aggregating in excess of that drawn by the Managing Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company and employed throughout the year or part of the financial year :											
NIL											

Kolkata
10th May, 2019

For and on behalf of the Board of Directors

A C Chakrabortti
Director
(DIN :00015622)**Umesh Saraf**
Joint Managing Director
(DIN : 00017985)**Rama Shankar Jhawar**
Director
(DIN: 00023792)

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE, DEVELOPMENT, OPPURTUNITIES AND OUTLOOK

The Hospitality Sector has started showing signs of a turnaround. During the financial year 2018-19, the Hotel witnessed two major events which had deep impact on Industry, namely, liquor price increase and Goods and Service tax. A revised clarity on GST on sell rate in the half year ended 30th September, 2018 gave industry an additional ability to drive more conversion due to price increase, which was, however, neutralized, to a large extent, by the high GST rate of 28%, thus impinging on the growth prospects and capabilities.

In spite of the above, Industry achieved an occupancy growth of 8.2% over 2018, ADR grew 4.3% leading to 12.9% growth in RevPAR. This was driven by growth from Mid-scale and budget segment hotels. Strong inbound traffic, domestic transit movement and medical tourism from Bangladesh showed positive growth. Increasing demand from sporting events such as IPL, ISL & ITTL further created new space. As a result, the city has bright chance to host under 17 years woman's football world cup in 2020.

Your Board considers that domestic leisure business may be the fastest growing category in the hospitality chain, since Indian travelers are now-a-days not only staying at top-end hotels but also spending a significant amount at the hotel during their stay. The rise of domestic leisure travel, helped by rising income levels, will change the industry prospects to offset the sluggishness in business from foreign visitors.

To sum up, during the financial year 2018-19, the Hotel also saw good increase in inbound travelers which contributed to growth in business & leisure travel facilitated by Government travel initiative such as E-visa. This will continue to attract inbound traffic.

Biswa Bangla Art Convention Centre will continue to attract large international conferences, which will create new leverages but this may be neutralized by opening of new competitor hotels. As a result, future market will be highly competitive.

F&B and banquet continue to be a significant revenue generator for your hotel. Keeping the guest experience uppermost in mind, your Company continues to focus on brand standards through continuous improvement. Competition benchmarks are used effectively to measure performance against best in class hotel brands. Audit mechanisms have been improved to ensure better feedback to hotels.

Regarding the industry outlook of Hyatt Regency Chennai, RevPAR has grown by 7.6% over last year with a mix of both Occupancy and ADR. However the absolute value of the RevPAR remains very low as compared to other metropolitan cities like Mumbai, Delhi, Bangalore and Hyderabad.

Chennai is a highly price sensitive market ADR shows the lowest growth of 4.4%, compared to Mumbai (+7.4%) Pune (6.4%) Gurgaon (5.8%) Bengaluru (14.3%) Hyderabad (9.7). As a result, the future prospect appears to be somewhat subdued.

RISKS, CONCERNS AND THREATS

The hospitality industry is prone to the impact of changes in global and domestic economies. In domestic arena, local market conditions, excess hotel room supply, reduced international or local demand for hotel rooms and associated services, government policies and regulations, may have adverse effect on future earnings.

On an evaluation of all relevant issues, the Company is likely to face the following risks and challenges, for which necessary steps have been initiated to overcome the difficulties.

- i) Additional supply of 5 star properties in Kolkata is expected to intensify the competitive environment,
- ii) With the advent of online transactions and increasing use of the same, investment into digitalization and advance technology methods will become a major factor for every player in the market, thus affecting the operating cost.
- iii) Guest data security will take utmost importance and brands will invest more to protect guest data with help of system and internal trainings.
- iv) Opening of new ITC Royal Bengal hotel, with its big base, is likely to hit the hotel industry in Kolkata from various directions. On an overall basis, your Board is aware about the uncertainties and risks prevailing in the market and have opted for various risk mitigation initiatives to continue its position into the market.
- v) Hyatt Regency Chennai has been vigilant enough to take corrective measures when it comes to sealing MICE groups for need dates and has created base occupancy for the months gone by and months to come enabling us to price and maximize on the balance rooms later.
- vi) The opening of the metro rail in front of Hyatt Regency Chennai and its connectivity to the airport and the city is a welcome development and likely to help the Hotel to achieve better occupancy and rates. Overall the hospitality industry in India as also in Chennai is likely to witness growth both in terms of room rates and occupancy. The Hotel is also taking various initiatives to reduce both direct and indirect overheads in order to improve the profitability.

Asian Hotels (East) Limited

SEGMENTWISE, FINANCIAL AND OPERATIONAL PERFORMANCE

The Company operates in Single Segment i.e. Hoteliering. Please refer to Directors Report for the same.

EFFICIENT INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has in place an adequate system of internal controls, with documented procedures covering all corporate functions and hotel operating units. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations. Adequate internal control measures are in the form of various policies and procedures issued by the Management covering all critical and important activities viz. Revenue Management, Hotel Operations, Purchase, Finance, Human Resources, Safety, etc. These policies and procedures are updated from time to time and compliance is monitored by Group Internal Audit.

The effectiveness of internal controls is reviewed through the internal audit process, which is undertaken for every operational unit and all major corporate functions under the direction of the Operations department. The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them. The Statutory Auditors of your Company have opined in their report that your Company has adequate internal controls over financial reporting.

DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company continues to maintain a very cordial and healthy relationship with its workforce across all its units. The number of people employed on-roll by the hotel as on 31st March, 2019 was 285. Caring for our people so that they can be their best has been one of the objectives of the company which is reflected in the 'Colleague Experience Survey' conducted across Hyatt hotels. Hyatt Regency Kolkata scored above 90% in all parameters. Further, the Company continuously reviews and re-aligns its people practices and policies with an aim to provide its employees with the best working environment. As part of the Corporate Learning and Development initiatives, several programs were organized in the Financial Year 2018-19 for executives across all levels. These Management Development Programmes were based on individual needs identified during the Appraisal process.

We at Hyatt Regency Kolkata are striving towards attracting, retaining, training, multi-skilling employees and working towards the welfare of our resources. In the meantime, all efforts are being made to control cost so as to maintain present level of profitability. Industrial relations remained stable throughout the financial year 2018-19.

DETAILS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately preceding financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios:

Ratio Calculation		
Particulars	F.Y. 2018-19	F.Y. 2017-18
Debtors Turnover Ratio	.06:1	.06:1
Inventory Turnover Ratio	6.71:1	5.52:1
Current Ratio	(16.15: 1)	(18.54: 1)
Debt Equity Ratio	.0012:1	NA
Operating Margin %	25.1	24.9
Net Profit Margin %	15.64	13.68
Interest Ratio	NA	NA

Net worth of Asian Hotels (East) Ltd

Particulars	31st March 2019	31st March 2018	Changes
Networth	9,217,103,744	9,026,908,404	190,195,340

Asian Hotels (East) Limited

***Networth is increased due to increase in Business Profit during the Fincial year 2018-19**

Net Comprehensive Income	224,938,765	Due to Increase in Net Comprehensive Income
Less: Dividend Paid	28,819,493	Due to payment of dividend
Less: Dividend Distribution Tax	5,923,932	Due to payment of DDT
Net Increase in Business Profit	190,195,340	

CAUTIONARY STATEMENT

Statement made in the Management Discussion and Analysis, describing the Company's objectives, projections, estimates, predictions and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN :00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhavar
Director
(DIN: 00023792)

ANNEXURE - VII

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Asian Hotels (East) Limited believes that good corporate governance is a way of life which is enshrined in the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels of the organization.

Your Company has adopted the corporate governance and board evaluation techniques to help fulfill its corporate responsibility towards its Stakeholders. It covers aspects related to the composition and role of the Board, Chairman and Directors, Board diversity as a whole etc. The Board of Directors has also institutionalized best management practices to bring about an atmosphere of accountability. Systems have been put into place to ensure effective strategic planning, optimum risk management, financial plans, budgets, integrity controls, reporting, communication policy with emphasis on transparency and full disclosure. Additional measures have been introduced to ensure compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit.

The Company has complied with mandatory requirements of the corporate governance provisions as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

BOARD OF DIRECTORS

The Company' Board of Directors have always acted as an asset to the organization. The Directors possess experience in diverse fields including accounts, finance, taxation, legal & regulatory, sales & marketing, public relations and hoteliering to social service.

As on 31st March 2019, Company' Board of Directors comprises seven (7) Members which includes one (1) Non-Executive Chairman, two (2) Joint Managing Directors and four (4) Non-Executive Independent Directors including one (1) Non-Executive Independent Woman Director. The Board's composition is in compliance with the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

None of the Directors hold directorships in more than 20 Indian Companies including 10 public limited companies. Further, none of them serve as members of more than 10 committees nor any of them serving as chairman of more than 5 committees as specified in Regulation 26 of the Listing Regulations, across all companies in which they are Directors. "Committees" for this purpose includes the Audit Committee and the Stakeholders Relationship Committee as per the Listing Regulations. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2019 have been made by the Directors as per Regulation 26 of the Listing Regulations.

"Independent Directors" i.e. directors who apart from receiving Directors Remuneration do not have any material pecuniary relationship or transactions with the Company during the year 2018-19. The Non-Executive/Independent Directors are paid sitting fees within the limits prescribed under the Companies Act, 2013. Independent Directors are not serving as independent directors in more than seven listed companies as prescribed in Regulation 25 of the Listing Regulations. The Company is in conformity with Regulations 25 and 26 (1)(2)(4) of the Listing Regulations.

The Company has issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 ("the Act"). The terms and conditions of appointment are disclosed on the website of the Company. All the independent directors have confirmed that they meet the criteria of independence as laid down under the Act and the Listing Regulations.

The Board normally meets four times a year and as and when required. The time gap between two Board Meetings has not exceeded the limit of one hundred and twenty days as specified under Regulations 17 of the Listing Regulations and Companies Act, 2013. During the financial year 2018-19, the Board of Directors had four (4) meetings. These were held on 9th May, 2018, 30th July, 2018, 13th November, 2018 and 13th February, 2019 respectively. The attendance of the Directors at the Board meeting is given elsewhere in this section.

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary notes setting out the details of the proposal, relevant material facts, supporting information and documents to enable the Board to take informed decisions. Agenda also includes draft resolutions and minutes of the meetings of all the last Board, Committees and Subsidiaries for consideration, approval and information of the Board. Any item not included in the agenda is taken up for consideration as per the provisions of the Secretarial Standard on Meetings of Board of Directors (SS-1). Agenda papers are circulated seven days prior to the Board Meeting.

All statutory and other significant and material information as mentioned in Part A of Schedule II of Regulation 17(7) of the Listing Regulations are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders. The Board also reviews periodically the compliance of all applicable laws. The members of the Board have the complete freedom to express their opinion and decisions are taken after detailed discussion.

Pursuant to the Corporate Governance provisions as specified in the Listing Regulations, the composition and categories of directors of the Board, details of Directorships held, Committee Memberships/Chairmanships held and attendance of the Director at the Board Meetings and previous Annual General Meeting (AGM) are as follows as on 31st March, 2019:

Sl. No.	Name of Director	DIN No.	Category	No. of Board Meetings attended	Last AGM attended	No. of other Directorship(s)	No. of Membership(s)/Chairmanship(s) of Board Committees in other Companies [#]	
							Member	Chairman
1.	Mr. Radhe Shyam Saraf ⁺	00017962	Promoter/Non-Independent, Non-Executive Chairman	1	No	Nil	Nil	Nil
2.	Mr. Amal Chandra Chakrabortti	00015622	Independent Director	4	Yes	3	2	1
3.	Mr. Rama Shankar Jhavar	00023792	Independent Director	3	Yes	5	3	1
4.	Mr. Padam Kumar Khaitan	00019700	Independent Director	4	Yes	7	3	1
5.	Ms. Rita Bhimani	07106069	Independent/Woman Director	4	Yes	1	Nil	Nil

Asian Hotels (East) Limited

Sl. No.	Name of Director	DIN No.	Category	No. of Board Meetings attended	Last AGM attended	No. of other Directorship(s)	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies [#]	
							Member	Chairman
6.	Mr. Arun K. Saraf ⁺	00339772	Promoter/Joint Managing Director	4	Yes	1	Nil	Nil
7.	Mr. Umesh Saraf ⁺	00017985	Promoter/Joint Managing Director	4	Yes	5	Nil	Nil

* The Directorship as mentioned above does not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies [excluding Asian Hotels (East) Limited].

In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies [excluding Asian Hotels (East) Limited] have been considered.

+ No Directors other than Mr. Radhe Shyam Saraf, Mr. Arun Kumar Saraf and Mr. Umesh Saraf are related to each other. Mr. Radhe Shyam Saraf is the father of Mr. Arun Kumar Saraf and Mr. Umesh Saraf and further, Mr. Arun Kumar Saraf and Mr. Umesh Saraf are brothers.

CATEGORY OF DIRECTORSHIP IN THE LISTED COMPANIES (EXCLUDING THE COMPANY)

Sr No.	Name of the director	Name of the listed company	Category of directorship in the other listed companies
1	Mr. Radhe Shyam Saraf	Nil	Nil
2	Mr. Amal Chandra Chakrabortti	Texmaco Rail & Engineering Limited	Independent Director
		LA Opala RG Limited	Chairman & Non-Executive Independent Director
3	Mr. Rama Shankar Jhawar	The Standard Batteries Limited	Non-Executive Director
		Williamson Magor & Co. Ltd.	Non-Executive Director
		Williamson Financial Services Limited	Non-Executive Director
4	Mr. Padam Kumar Khaitan	Manju Shree Plantation Limited	Director
		Magadh Sugar & Energy Limited	Non-Executive & Independent Director
		Kilburn Engineering Ltd.	Independent Director
		Ramkrishna Forgings Ltd.	Non-Executive & Independent Director
		Cheviot Co Ltd.	Independent Director
5	Ms. Rita Bhimani	Hindusthan National Glass & Industries Limited	Independent Director
6	Mr. Arun Kumar Saraf	Nil	Nil
7	Mr. Umesh Saraf	Nil	Nil

SKILL/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees.

In the context of the Company business and sector for it to function effectively, the Company requires skills/expertise/competencies in the areas of Finance, Regulatory, Strategy, Business Leadership, Technology, Sales & Marketing, Hospitality, Risk & Governance and public relations.

The Board is satisfied that its current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively.

No independent director has resigned during the financial year 31st March, 2019.

Familiarisation programme for Independent Directors

The Company has an ongoing familiarization programme for its Independent Directors, with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model of the Company. During the year, the Company organized several familiarisation programme wherein the Independent Directors were familiarized by the Hyatt Operations Team 30 minutes before every Board Meeting of the Company so as to enable them to understand the Company's operations, business, industry and environment. The details of familiarisation programme is disclosed at the weblink: <http://ahleast.com/policiespdf/Familiarization%20Programme%20for%20independent%20directors.pdf>

Meeting of Independent Directors

Pursuant to Section 149 and Schedule IV of the Act and Regulation 25 of the Listing Regulations, separate meeting of the independent directors was held on 19th March, 2019 without the attendance of non-independent directors and members of management. All the independent directors of the company were present at the meeting. They reviewed the performance of non-independent directors, Committees and the Board as a whole and evaluated the performance of the Chairperson of the Company and found them to be satisfactory.

Asian Hotels (East) Limited

Performance Evaluation

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was circulated in the draft forms, stating the criteria of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and independent directors performance. The process of evaluation of Board performance, Non-Executive Directors, Executive Directors, Board Chairman and Committees along with Board Diversity is detailed in the Board's Report. The performance evaluation policy along with the form covering various aspects as approved by the Board of Directors of the Company is available at the website of the Company viz. www.ahleast.com.

COMMITTEES OF BOARD OF DIRECTORS

The Company has four (4) Board level Committees in accordance with the Listing Regulations & Companies Act, 2013.

1) Audit Committee

The role and the terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the Listing Regulations. The terms of reference of the Committee are wide enough to cover the matters specified for Audit Committee under the Act and the Listing Regulations.

As on 31st March, 2019, the Audit Committee comprises of three (3) Directors amongst which two (2) are Non-Executive Independent Directors namely Mr. Amal Chandra Chakrabortti and Mr. Rama Shankar Jhawar and one (1) is Joint Managing Director namely Mr. Umesh Saraf.

All the members of the Audit Committee are financially literate and possess sound knowledge on accounts, audit, finance, internal controls etc. Mr. Amal Chandra Chakrabortti, a fellow member of the Institute of Chartered Accountants in England & Wales and India, has wide experience in diverse fields particularly pertaining to the accounts, finance and taxation. Mr. Rama Shankar Jhawar, Chartered Accountant, is a renowned financial professional in the industry. Mr. Umesh Saraf is a highly experienced industrialist and has in-depth knowledge of financial, accounting management and core business of the Company.

During the financial year 2018-19, four (4) Audit Committee meetings were held on 9th May, 2018, 30th July, 2018, 13th November, 2018 and 13th February, 2019 respectively. Necessary quorum was present for all the meetings. The time gap between any two Audit Committee meetings did not exceed one hundred and twenty days.

Attendance of each Member at the Audit Committee meeting held during the year:

Name of the Chairman/Member	Status	Meetings Attended	Last AGM attended
Mr. Amal Chandra Chakrabortti (Independent Director)	Chairman	4	Yes
Mr. Rama Shankar Jhawar (Independent Director)	Member	3	Yes
Mr. Umesh Saraf (Joint Managing Director)	Member	4	Yes

Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary is the Secretary to the Audit Committee.

Mr. Radhe Shyam Saraf, Chairman, Mr. Arun Kumar Saraf, Joint Managing Director, Mr. Bimal Kumar Jhunjhunwala, CFO & Vice President- Corporate Finance, Financial Controller and General Manager of the Hotel Hyatt Regency, Kolkata, along with the Statutory and Internal Auditors of the Company were also invited to attend the Meetings of the Audit Committee.

During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems, related party transactions, functioning of the vigil mechanism and implementations of the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices.

2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board policies relating to the remuneration of the directors, key managerial personnel and other employees and diversity of board of directors, and evaluation of the performance of independent directors and the board of directors, identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

The role and the terms of reference of the Nomination and Remuneration Committee are in conformity with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations. During the year the Nomination and Remuneration Committee met on 13th February, 2019 and 19th March, 2019. The necessary quorum was present at the Meeting. The composition of the Nomination and Remuneration Committee as on 31st March, 2019 is as under:

Name of the Chairman/Member	Status	Meetings Attended	Last AGM attended
Mr. Rama Shankar Jhawar (Independent Director)	Chairman	2	Yes
Mr. Padam Kumar Khaitan (Independent Director)	Member	2	Yes
Mr. Amal Chandra Chakrabortti (Independent Director)	Member	2	Yes

Details of remuneration paid/payable to the Directors during the financial year ended 31st March, 2019:

Asian Hotels (East) Limited

(a) Joint Managing Directors

For remuneration to Joint Managing Directors, please refer Annexure-V.

- Remuneration is paid to the Joint Managing Directors pursuant to the special resolution passed by the shareholders at the 11th Annual General Meeting held on Monday, 27th August, 2018.
- Their appointment is governed by the ordinary resolution passed by the members at the 8th Annual General Meeting of the Company held on 31st July, 2015. No remuneration other than sitting fees for attending Board and Committee Meetings and separate meeting of Independent Directors was paid to the Non Executive Directors.
- The Company does not have any stock option plan or performance linked incentive or benefits or bonus or severance fees for the Joint Managing Directors. The Joint Managing Directors do not have any notice period or service contracts with the Company.

(b) Non-Executive Directors/Independent Director:

Name	Sitting fees (Rs.)*
Mr. Radhe Shyam Saraf	50,000
Mr. Amal Chandra Chakrabortti	3,70,000
Mr. Rama Shankar Jhawar	2,90,000
Mr. Padam Kumar Khaitan	2,50,000
Ms. Rita Bhimani	2,80,000

Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

There were no other shares and convertible instruments held by Non-Executive Directors of the Company except Mr. Radhe Shyam Saraf holding 32,84,680 equity shares of the Company as on 31st March, 2019. There were no pecuniary relationships or transaction between any of the Non- Executive Directors and the Company except Mr. Radhe Shyam Saraf being the Chairman of the Company.

3) Stakeholders Relationship Committee

The Stakeholders Relationship Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee is primarily responsible to review all matters connected with the transfer and transmission of shares, issue of duplicate/re-materialised shares and consolidation and splitting of certificates etc. and handling/redressal of shareholders'/investors' complaints. With a view to regulate trading in securities by the directors and designated employees, the Committee also monitors implementation and compliance of the Company's Code of Conduct for prohibition of insider trading in pursuance of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The composition of the Committee along with the attendance details is as under:

Name of the Members	Status	Meetings Attended	Last AGM attended
Mr. Padam Kumar Khaitan (Independent Director)	Chairman	1	Yes
Mr. Rama Shankar Jhawar (Independent Director)	Member	1	Yes
Mr. Umesh Saraf (Joint Managing Director)	Member	1	Yes

The Committee met on 13th February, 2019. All the members were present at the Meeting.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review were 57. There was one (1) pending complaints as on 31st March, 2019 which was finally disposed of on 11th April, 2019. Further, all the requests for transfer of shares have also been processed in time and no transfer was pending for registration for more than 15 days as on 31st March, 2019.

Minutes of meetings of the Share Transfer and Stakeholders Relationship Committee/Resolutions by Circulations are circulated to the Board.

Asian Hotels (East) Limited

Compliance Officer

Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary is the Compliance Officer and acts as Secretary to the Committee.

Executive Share Transfer Committee

Pursuant to Regulation 40(2) of the Listing Regulations and to expedite the process of share transfers, the Board has an Executive Share Transfer Committee comprising of CFO & Vice President Corporate Finance and Chief Legal Officer & Company Secretary.

Terms of reference:

Terms of the reference of the Executive Share Transfer Committee are described as follows:

- To approve transfer of shares including taking note of transfer of shares in demat mode, transmission of shares, transposition of names of the shareholders, deletion of name of shareholders and change of name/surname of the shareholders;
- To take steps to prevent Insider Trading.

The Committee meets on a need basis or at least once in every ten (10) days to dispose of the business of the Committee, if any. The minutes of the Executive Share Transfer Committee are placed at the Board Meetings of the Company periodically.

4. Corporate Social Responsibility (CSR) Committee

In accordance with the provisions of Section 135 of the Act, the Company has constituted a CSR Committee for social activities. The Committee's primary responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of the CSR Policy. The broad terms of the CSR Committee covers various aspects in relation to Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014. During the year the CSR Committee met on 13th February, 2019. The composition of the Committee is as under:

Name of the Members	Status	Meetings Attended
Mr. Arun Kumar Saraf (Joint Managing Director)	Chairman	1
Mr. Rama Shankar Jhawar (Independent Director)	Member	1
Mr. Umesh Saraf (Joint Managing Director)	Member	1

All the members were present at the meetings. Please refer to **Annexure VIII** of the Directors' Report for details of CSR Activities of the Company for the financial year 2018-19.

DIRECTORS' REPORT AND GENERAL BODY MEETINGS

A) Particulars of last three Annual General Meetings:

Financial Year	Nature of meeting	Venue	Date	Time	Special Resolutions passed
2017-18	11th Annual General Meeting	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata- 700098, West Bengal.	Monday, 27th August, 2018	11.00 a.m.	- Continuation of directorship of Mr. Radhe Shyam Saraf as Non-Executive Director and Chairman of the Company. - Re-appointment of Mr. Amal Chandra Chakrabortti as an Independent Director of the Company and continuation of his directorship as Non-executive director for second term of five (5) consecutive years - Re-appointment of Mr. Rama Shankar Jhawar as an Independent Director of the Company for second term of five (5) consecutive years - Payment of minimum remuneration to Mr. Arun Kumar Saraf, Joint Managing Director of the Company - Payment of minimum remuneration to Mr. Umesh Saraf, Joint Managing Director of the Company.
2016-17	10th Annual General Meeting	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata- 700098, West Bengal.	Friday, 28th July, 2017	4.00 p.m.	There was no matter which required passing of Special Resolution.
2015-16	9th Annual General Meeting	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata- 700098, West Bengal.	Wednesday 10th August, 2016	11.00 a.m.	- Borrowings under Section 180(1)(c) of the Companies Act, 2013. - Sell, mortgage or charge any movable assets of the Company under Section 180 (1)(a) of the Companies Act, 2013. - Investment of Company's surplus funds under Section 186 of the Companies Act, 2013.

All Special Resolutions passed in the previous three Annual General Meetings of the Company were passed with requisite majority of shareholders.

Asian Hotels (East) Limited

A) Postal Ballot:

During the year under review, there was no special resolution passed through Postal Ballot under Section 110 of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Further, there is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

B) Passing of resolution by circulation

During the year under review, there was no resolution passed by circulation.

MEANS OF COMMUNICATION

The quarterly results of the Company i.e. unaudited accompanied with the Limited Review Report for the first 3 quarters and audited accompanying the auditors report for the fourth quarter is uploaded at the online filings of the stock exchanges, disseminated at the Company's website and published at the respective newspapers as stipulated under the law after the Board of Directors at its meetings approve the same.

Necessary reports, statements, documents, filing and any other information are filed with the electronic platform of the stock exchanges. The Company normally publishes the financial results in the Business Standard, an English daily newspaper having all India circulation and in Ekdin, a regional daily newspaper published in the language of the region where the registered office of the Company is situated (all editions).

The Company maintains a functional website containing all prescribed information as mentioned in the Regulation 46 of the Listing Regulations. The Company does not displays official news releases or make presentations for the institutional investors or the analysts as it is not relevant for the Company at present.

Further, all periodical compliance filings like shareholding patterns, corporate governance report, corporate announcements etc. are filed electronically on NEAPS, a web based application designed by NSE and on BSE Listing Centre, a web based application designed by BSE for corporate. The Company has also filed the mandatory fillings in XBRL mode as mandated by the BSE Listing Centre vide its circulars to listed entities. The investor complaints are processed in SEBI Complaints Redressal Systems (SCORES), a centralized web based complaints redressal system.

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting

Day, Date & Time	:	Monday, 5 th August, 2019 at 4:00 p.m.
Venue	:	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata – 700 098.
Financial Year	:	2018 - 2019
Financial Calendar	:	
1st Quarterly Results 2nd Quarterly/ Half yearly Results 3rd Quarterly Results	}	Within 45 days from the end of the quarter
Audited yearly Results for the year ended 31 st March 2019	:	Within 60 days of the end of the Financial Year.
Date of Book closure	:	27 th July, 2019 to 5 th August, 2019 (both days inclusive)
Dividend Payment date	:	Within 30 days from the date of declaration.

Listing on Stock Exchanges

Details of listing of equity shares of the Company:

Sl.No.	Name and address of the Stock Exchanges	Scrip Code/Symbol	ISIN
1.	BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	533227	INE926K01017
2.	National Stock Exchange of India Ltd (NSE). Exchange Plaza, C-1, Block-G, Bandra - Kurla Complex, Bandra (East), Mumbai – 400 051	AHLEAST	

Annual listing fees as prescribed, has been paid by the Company to the above Stock Exchanges for the financial year 2018-19.

Asian Hotels (East) Limited

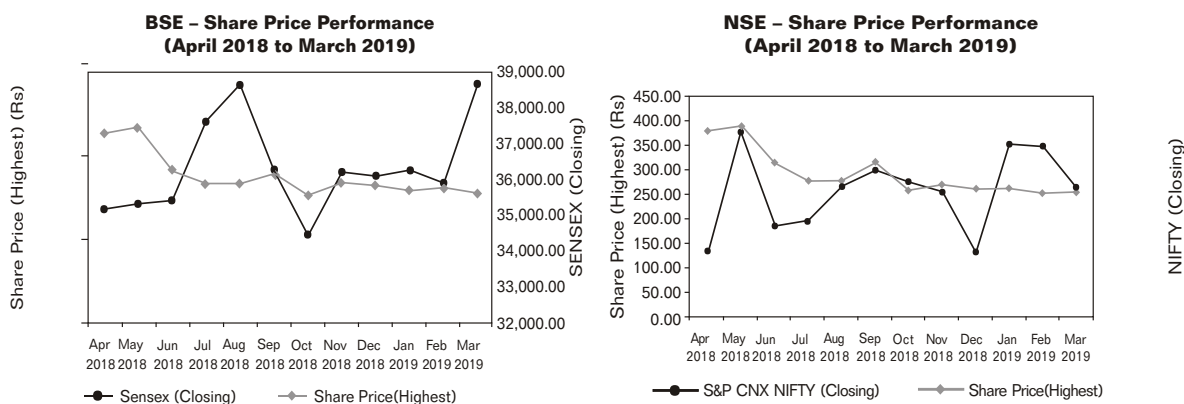
Annual Custody/Issuer fee for the financial year 2018-19 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) on receipt of the invoices.

Corporate Identity Number (CIN): L15122WB2007PLC162762

Market Price Data during the period from April, 2018 to March, 2019

Month	BSE				NSE			
	High Rs.	Low Rs.	Total Number of Shares Traded	Sensex (Closing)	High Rs.	Low Rs.	Total Number of Shares Traded	S&P CNX NIFTY (Closing)
April 2018	378.00	254.00	20,464	35,160.36	381.45	261.00	129,270	10,412.57
May 2018	388.50	287.00	11,080	35,322.38	390.25	287.80	40,132	29,479.37
June 2018	303.00	250.25	6,239	35,423.48	316.00	253.05	29,887	14,440.17
July 2018	278.00	250.00	8,104	37,606.58	278.00	243.00	48,429	15,294.40
August 2018	278.00	250.00	11,562	38,645.07	278.00	248.10	53,022	20,755.73
September 2018	296.35	245.10	6,874	36,227.14	316.00	250.20	112,523	23,277.86
October 2018	252.80	202.05	5,980	34,442.05	259.00	227.05	23,399	21,513.85
November 2018	278.90	240.00	2,165	36,194.30	269.00	237.55	32,098	19,964.33
December 2018	273.85	205.00	2,641	36,068.33	262.70	232.05	25,635	10,176.13
January 2019	264.90	232.70	6,375	36,256.69	265.05	233.00	39,973	27,471.18
February 2019	269.00	228.00	3,636	35,867.44	252.85	226.05	14,117	27,123.34
March 2019	259.90	231.90	12,354	38,672.91	256.90	225.80	103,152	20515.25

Performance of the share price of the company in comparison to BSE Sensex and NSE Nifty :-



Registrar and Share Transfer Agent

Karvy Fintech Private Limited
(formerly known as Karvy Computershare Private Limited)
Karvy Selenium Tower B
Plot No. 31 & 32, Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad 500 032
Telangana, India
Tel : +91 40 23312454
Fax No. 040-23420814
E-mail: mailmanager@karvy.com

Karvy Fintech Private Limited
(formerly known as Karvy Computershare Private Limited)
Apeejay House, Block - B, 3rd Floor,
15 Park Street, Kolkata - 700 016
Tel No.: +91 33 6628 5939 | Mobile No.: 97482 64558
Website: www.karvy.com

Asian Hotels (East) Limited

Share Transfer System

Requests for dematerialization of shares being in order is generally processed within 21 days of receipt of the request and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share transfers in physical form are generally registered within a fortnight from the date of receipt subject to the documents being valid and complete in all respects. A summary of transfer/transmission of securities of the Company is placed at quarterly Board Meeting and Executive Share Transfer Committee which consider and approve the transfer proposals.

Further, the Company also obtains from a Company Secretary in practice half-yearly certificate to the effect that all the certificates have been issued within thirty days of the date of lodgment of transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges. The Company affirms that no shareholders' complaints were lying pending as on 31st March, 2019 under SCORES.

Distribution of Shareholding as on 31st March, 2019

Sl. No.	Category	Cases	% of Cases	Amount (Rs.)	% Amount
1	Upto 1-5000	10841	96.24	6314480.00	5.48
2	5001-10000	218	1.94	1544020.00	1.34
3	10001-20000	83	0.74	1138120.00	0.99
4	20001-30000	30	0.27	757320.00	0.66
5	30001-40000	21	0.19	724670.00	0.63
6	40001-50000	12	0.11	558080.00	0.48
7	50001- 100000	26	0.23	1901040.00	1.65
8	100000 & Above	34	0.30	102340240.00	88.78
	Total :	11265	100.00	115277970.00	100.00

No. of Shares (As on 31st March, 2019)

Physical Mode - 2,19,644

Electronic Mode:

-NSDL - 1,06,32,564

-CDSL - 6,75,589

Dematerialisation of Equity Shares

1,13,08,153 shares (equivalent to 98.09%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March, 2019.

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories viz. NSDL and CDSL.

During the financial year 2018-19, the Company has not issued GDRs/ADRs/Warrants or any Convertible Instruments likely to impact on equity.

Shareholding Pattern as on 31st March, 2019

Category	No. of Shares held	% of shareholding
A. Promoter & Promoter Group		
- Indian	33,463	0.29
- Foreign	75,32,657	65.34
Total Promoter & Promoter Group Shareholding	75,66,120	65.63
B. Public Shareholding		
- Banks	5,46,702	4.75
- NBFC	192	0.00
- Mutual Funds	395	0.00
- Insurance Companies	6,03,576	5.24
- Body Corporate	12,41,008	10.76
- Indian Financial Institutions	6,165	0.05
- Resident Individuals	12,67,175	11.00
- IEPF	82,719	0.71
- Clearing Members	1,427	0.01
- Foreign Corporate Bodies	38,803	0.35
- Trusts	10	0.00
- Foreign Institutional Investors/Foreign Portfolio Investors	52,714	0.46
- Non Resident Indians	1,20,791	1.04
Total Public Shareholding	39,61,677	34.37
Total (Promoter & Promoter Group + Public Shareholding)	1,15,27,797	100

Asian Hotels (East) Limited

Hotels Location

Hyatt Regency Kolkata
Plot JA-1, Sector III,
Salt Lake City
Kolkata 700 098

Hyatt Regency Chennai
365, Anna Salai,
Teynampet
Chennai-600 018

Address for correspondence

The investor may address their correspondence directly to the Legal & Secretarial Department located at the registered office of the Company (as detailed below) or to the Registrar & Share Transfer Agent at the addresses mentioned in this Report.

Credit ratings

During the financial year ended 31st March, 2019 the Company has not obtained any credit ratings as the Company is a debt free company in a standalone capacity.

Registered Office Address

Asian Hotels (East) Limited
Legal & Secretarial Department
Hyatt Regency Kolkata
JA-1, Sector III, Salt Lake City, Kolkata 700 098
Telephone No. : 033-2517-1009/1012
Fax No. : 033-2335-8246
Email id : soumyasaha@sarafhotels.com

Commodity price Risk or Foreign Exchange Risk and Hedging Activities

The Company follows advance payment system while importing consumable/consumer goods. Therefore there is no commodity price risk or foreign risk as such involved.

Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a Reconciliation of Share Capital Audit by a Practicing Company Secretary is carried out at the end of every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital of the Company. The said audit confirms that the total issued/paid-up capital tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL and the report is submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

Unclaimed Suspense Account

In terms of Schedule F of the Regulation 34(3) of Listing Regulations, the following details are provided in respect of the unclaimed suspense account of the Company:-

Sl. No.	Particulars	Number of shareholders	Number of equity shares
1.	Aggregate Number of shareholders and the outstanding shares in the unclaimed suspense account lying as on 1 st April, 2018.	141	22697
2.	Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the financial year 1 st April, 2018 to 31 st March, 2019.	0	0
3.	Number of shareholders to whom shares were transferred from the unclaimed suspense account during the financial year 1 st April, 2018 to 31 st March, 2019.	0	0
4.	Transferred to IEPF	39	3017
5.	Aggregate number of shareholders and outstanding shares lying in the unclaimed suspense account as on 31 st March, 2019.	102	19680

The voting rights on the shares outstanding in the unclaimed suspense account as on 31st March, 2019 shall remain frozen till the rightful owner of such shares claims the shares.

Equity Dividend History of the Company

Financial Year	Date of Declaration	Equity Dividend per share (Rs.)
2015-16	10 th August, 2016	2.00/-
2016-17	28 th July, 2017	2.00/-
2017-18	27 th August, 2018	2.50/-

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Transfer of unpaid/unclaimed equity dividend to Investors Education & Protection Fund (IEPF)

The dividend for the undernoted years, if unclaimed for seven years, will be transferred by the Company to the IEPF in accordance with the schedule given below:

Financial Year	Date of Declaration	Date of payment	Date on which dividend will become part of IEPF
2011-12	19 th July, 2012	27 th July, 2012	24 th August, 2019
2012-13	8 th August, 2013	16 th August, 2013	13 th September, 2020
2013-14	30 th July, 2014	8 th August, 2014	4 th September, 2021
2014-15	31 st July, 2015	10 th August, 2015	5 th September, 2022
2015-16	10 th August, 2016	20 th August, 2016	15 th September, 2023
2016-17	28 th July, 2017	8 th August, 2017	3 rd September, 2024
2017-18	27 th August, 2018	7 th September, 2018	3 rd October, 2025

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, any money transferred to the Unpaid Dividend Account which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government within a period of thirty (30) days of such amounts becoming due to be credited to the fund.

Further, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company in the name of IEPF within a period of thirty (30) days of such shares becoming due to be transferred to the fund.

In respect of the above, during the year under review, the Company has intimated the stock exchanges along with the public announcements and individual letters to the concerned shareholders have been sent as reminders to the shareholders to claim their unpaid dividend amount and shares for the financial year 2010-11 by the due date 29th September, 2018. The amount of unpaid dividend transferred to IEPF was Rs. 6,49,597/- and 9,096 shares were transferred in the name of IEPF. Rs. 18,585/- with its respective 4130 shares were restrained shares and could not be transferred.

All the above transfers were intimated to the IEPF Authority by filling stipulated e-forms and the same is also uploaded on the website of the Company viz. www.ahleast.com. The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares. Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary was appointed as the nodal officer for co-ordination with the IEPF Authority by the Board.

Exclusive e-mail id for Investors' Grievances

Pursuant to Regulation 46 of the Listing Regulations, the e-mail id investorrelations@ahleast.com has been designated for registering investors' grievances.

SUBSIDIARIES

The Company has two unlisted subsidiaries namely GJS Hotels Limited and Regency Convention Centre and Hotels Limited and one unlisted step down subsidiary namely Robust Hotels Private Limited, owning company of Hyatt Regency Chennai. GJS Hotels Limited is wholly owned and an unlisted subsidiary.

The Audit Committee reviews the consolidated financial statements of the Company as well as the financial statement of the subsidiaries, in particular the investments made by the unlisted subsidiary companies. The minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are periodically placed before the Board of the Directors of the Company. The Company has formulated a policy for determining 'material subsidiaries' which has been put up on website of the Company at the weblink <http://ahleast.com/policiespdf/Policy%20on%20Material%20Subsidiary.pdf>. During the year, the Company has not disposed of any shares in its material subsidiary or disposed or leased the assets amounting to more than twenty (20) percent of the assets of the material subsidiary.

DISCLOSURES

- Related Party Transactions** The Company's major related party transactions are generally with its subsidiaries and entities controlled by the Directors or their Relatives. All the contracts/arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arm's length basis. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Details of all related party transactions are given in the notes to the Financial Statements. The omnibus approval of the Audit Committee is taken for all proposed related party transactions to be entered into during the forthcoming year and the details of all related party transactions actually entered into in the preceding quarter is placed before them. The Board has adopted Related Party Transaction Policy for determining the materiality of related party transactions and also on the dealings with related parties. This Policy has been placed in the website of the Company at the weblink <http://ahleast.com/policiespdf/Policy%20on%20Related%20Party%20Transaction.pdf>.
- Statutory Compliance, penalties and structures** - The Company has complied with the requirements of the Stock Exchanges, Securities Exchange Board of India and statutory authorities on all matters related to capital markets during the last three years. No strictures or penalties were imposed on the Company by these authorities.
- Accounting treatment in preparation of Financial Statements** The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act.
- Risk Management** - The Company has a well defined risk management framework in place. The Company periodically reviews the key risks and the risk assessment and mitigation procedures to ensure that the critical risks are controlled by the executive management through means of a properly defined framework.

Asian Hotels (East) Limited

- v) The Company has complied with all the applicable requirements of the Listing Regulations. The Company has adopted a suitable reporting system on compliances of all major laws applicable to the Company, which is placed before the Board of Directors of the Company at its periodic meeting.
- vi) **Whistle Blower Policy and Vigil Mechanism**
The Company has adopted a Whistle Blower Policy to provide a formal vigil mechanism to the Directors and employees to report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. It is affirmed that no personnel of the Company has been denied access to the Chairman of the Audit Committee. Other details of this policy forms a part of Board's Report.
- vii) The Company has not adopted the non-mandatory requirements of the Listing Regulations.
- viii) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 37 (7A) of SEBI, LODR**
During the financial year ended 31st March, 2019 the Company has not raised any money through preferential allotment or qualified institutions placement as specified under Regulation 37 (7A).
- ix) **Certificate from a Company Secretary in practice function on debar or disqualification of any director**

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of **ASIAN HOTELS (EAST) LIMITED (CIN: L15122WB2007PLC162762)** I hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2019, none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

For **ARPAN SENGUPTA & ASSOCIATES**
Company Secretaries

Place: Kolkata
Date: 10th May, 2019

sd/-
CS ARPAN SENGUPTA
Proprietor
Membership No.: ACS 37706
COP No.: 14416

- x) **The Board has accepted all recommendation of all its committees in the financial year ended 31st March, 2019.**
- xi) **Total fees paid to the statutory auditor**
Total fees paid by the Company & its subsidiaries to M/s. Singhi & Co, Statutory Auditor :- Rs. 9,00,200/-
- xii) **Disclosure in relation to the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013**
Disclosure on Sexual Harassment during the financial year ended 2018-19

Number of complaints filed	Number of complaints disposed of	Number of complaints pending as on 31st March, 2019
NIL	NIL	NIL

COMPLIANCE

• Code of Conduct

The Company has in place a comprehensive code of conduct ("The Code") applicable to the Directors and employees. The Code is applicable to the Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The full text of the Code is displayed at Company's website www.ahleast.com.

All Directors and the Senior Management Personnel have affirmed in writing their adherence to the above Code. In compliance with Schedule V of Regulation 34(3) of the Listing Regulations a declaration signed by the Joint Managing Director is attached and forms part of the Annual Report of the Company.

• Corporate Governance Compliance

The Company has complied with the requirements as laid down in Regulations 17 to 27, Schedule V of Regulation 34(3) and Regulation 46 of the Listing Regulations for the purpose of Corporate Governance. A compliance certificate has been obtained from M/s. D Raut & Associates, Practicing Company Secretaries.

• **Code of Conduct and Code of Fair Disclosure Under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

The Company has adopted two Codes namely - Code of Conduct and Code of Fair Disclosure for Prevention of Insider Trading and disclosure of Unpublished Price Sensitive Information by the Company under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made by the connected persons and designated persons while trading in securities of the Company. The Company has appointed Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary as the Compliance Officer to ensure timely, adequate uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information and for ensuring compliance with and for the effective implementation of the Regulations and Code across the Company. The full text of the Code is displayed at Company's website www.ahleast.com

CEO/CFO CERTIFICATION

The Joint Managing Director and CFO & Vice President-Corporate Finance of the Company have issued necessary certificate to the Board at its meeting held on 10th May, 2019 in respect of the financial year ended 31st March, 2019 pursuant to the Schedule II of Regulation 17(8) of the Listing Regulations and the same is attached and forms part of the Annual Report.

NON-MANDATORY REQUIREMENTS

1. Office of the Chairman of the Board and re-imbursement of expenses by the Company

The Chairman of the Company is a Non-executive Director and no reimbursement of his expenses is made by the Company at present. Further, the Board of Directors of the Company at its meeting held on 28th January, 2018 approved an amount not exceeding Rs. 1,00,000/- per month i.e. Rs.12,00,000/- per annum for reimbursement of the expenses of the Chairman's office.

2. Shareholders' Rights

The Company's financial results are published in the newspapers and also posted on its own website: www.ahleast.com. Hence, the financial results are not sent to the shareholders. However, the Company furnishes the financial results on receipt of request from the shareholders.

3. Modified Opinion in Audit Report

The Company, at present, does not have any modification in the audit opinion.

4. Separate posts of Chairman and CEO

The Company has a separate post of Chairman who is a Non-Executive Chairman. It has no separate post of CEO.

5. Reporting of Internal Auditor

The Company's Internal Auditor has the access of reporting directly to the Audit Committee.

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN :00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhawar
Director
(DIN: 00023792)

ANNEXURE - VIII

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2018-19:

1. **Brief outline of the Corporate Social Responsibility (CSR) Policy:** A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:
Based on the recommendation of the CSR Committee, the Board of Directors has formulated a CSR Policy. As per the Policy statement, the Company's CSR Policy will focus on all areas included in Schedule VII of the Companies Act, 2013 but mainly on addressing the critical social, economic and educational needs of the society and addressing to the health issues prevailing in the society.
The CSR Policy was approved by the Board of Directors at its Meeting held on 30th July, 2014 and further amended and approved the policy on 13th November, 2018 which is available on the Company's website: www.ahleast.com.
2. **Composition of CSR Committee of the Board:**
The CSR Committee comprises of the following Board Members :-
Mr. Arun Kumar Saraf, Joint Managing Director as Chairman
Mr. Umesh Saraf, Joint Managing Director as Member
Mr. Rama Shankar Jhawar, Independent Non-Executive Director as Member.
3. **Average net profit of the Company for the last three financial years:**
The average net profit for the last three financial years is Rs. 12.06 crores.
4. **Prescribed CSR Expenditure (2% of the amount mentioned in item 3 above):**
The Company is required to spend Rs. 25 lakhs towards CSR for the financial year 2018-19.
5. **Details of CSR spent during the financial year 2018-19:**
 - i) Total amount to be spent for the financial year : Rs. 25,00,000/-
 - ii) Amount unspent, if any : Nil
 - iii) Manner in which the amount spent during the financial year : Details given below

Sl. No.	CSR Project or activity	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the state and district where the project or program was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing Agency
1.	M/s. Maitreyi Charitable Trust	Health care : Project for construction of Hospital	Kolkata	Rs.22,00,000	Rs. 22,00,000	Rs. 22,00,000	—
2.	M/s. Missing Link Trust	Women's empowerment, child development & rural livelihood project	Sunderbans, West Bengal	Rs. 3,00,000	Rs. 3,00,000	Rs. 3,00,000	—
	Total			Rs.25,00,000	Rs.25,00,000	Rs.25,00,000	—

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report **Not applicable**
7. **Responsibility Statement:**
The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:
'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Kolkata
10th May, 2019

Mr. Arun Kumar Saraf
Chairman of CSR Committee
(DIN : 00339772)

Mr. Rama Shankar Jhawar
Member
(DIN : 00023792)

ANNEXURE - IX**Form No. MGT - 9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2019**

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- L15122WB2007PLC162762
- ii) Registration Date: 08/01/2007
- iii) Name of the Company: Asian Hotels (East) Limited
- iv) Category/Sub-Category of the Company: Company limited by shares/Indian Non Government Company
- v) Address of the Registered office and contact details: Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700098, West Bengal, India
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent: Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana, India, Tel : +91 40 23312454

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Room	55101	43.77%
2.	Food & Smoke	5610 & 5621	40.40%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	GJS Hotels Ltd. Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700098.	U55101WB2002 PLC160608	Subsidiary	100%	2(87) of Companies Act, 2013
2	Regency Convention Centre and Hotels Limited Hyatt Regency, JA-1, Sector – III, Salt Lake City, Kolkata – 700098.	U74899WB1994 PLC160633	Subsidiary	58.99%	2(87) of Companies Act, 2013
3	Robust Hotels Private Limited 365, Annasalai, Teynampet, Chennai - 600018	U55101TN2007P TC062085	Step-down Subsidiary	100%*	2(87) of Companies Act, 2013

* 80.53 held through GJS Hotels Limited

IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

i) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2018				No. of Shares held at the end of the year 31/03/2019				% Change during the year
		Demat	Physical Shares	Total	% of Total	Demat	Physical Shares	Total	% of Total	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
(A)	Promoter and promoter group									
(1)	INDIAN									
(A)	Individual /HUF	33463	0	33463	0.29	33463	0	33463	0.29	0.00
(B)	Central government/ state government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(C)	Bodies corporate	0	0	0	0.00	0	0	0	0.00	0.00

Asian Hotels (East) Limited

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2018				No. of Shares held at the end of the year 31/03/2019				% Change during the year
		Demat	Physical Shares	Total	% of Total	Demat	Physical Shares	Total	% of Total	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)
(D)	Financial institutions / banks	0	0	0	0.00	0	0	0	0.00	0.00
(E)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	33463	0	33463	0.29	33463	0	33463	0.29	0.00
(2)	FOREIGN									
(A)	Individuals (NRIs/Foreign Individuals)	3902027	0	3902027	33.85	3902027	0	3902027	33.85	0.00
(B)	Bodies corporate	3630630	0	3630630	31.49	3630630	0	3630630	31.49	0.00
(C)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(D)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(E)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	7532657	0	7532657	65.34	7532657	0	7532657	65.34	0.00
	Total Shareholding of Promoter and Promoter group A=A(1)+A(2)	7566120	0	7566120	65.63	7566120	0	7566120	65.63	0.00
(B)	Public shareholding									
(1)	INSTITUTIONS									
(A)	Mutual funds /UTI	195	230	425	0.00	195	200	395	0.00	0.00
(B)	Financial institutions /banks	632832	6302	639134	5.54	546565	6302	552867	4.80	-0.75
(C)	Central government / state government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(D)	Venture capital funds	0	0	0	0.00	0	0	0	0.00	0.00
(E)	Insurance companies	603311	265	603576	5.24	603311	265	603576	5.24	0.00
(F)	Foreign institutional investors	52934	380	53314	0.46	52534	180	52714	0.46	-0.01
(G)	Foreign venture capital investors	0	0	0	0.00	0	0	0	0.00	0.00
(H)	Qualified foreign investor	0	0	0	0.00	0	0	0	0.00	0.00
(I)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	1289272	7177	1296449	11.25	1202605	6947	1209552	10.49	-0.75
(2)	NON-INSTITUTIONS									
(A)	Bodies corporate	1019090	4356	1023446	8.88	1236757	4251	1241008	10.77	1.89
(B)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	883469	174520	1057989	9.18	860742	151296	1012038	8.78	-0.40
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	331097	0	331097	2.87	255329	0	255329	2.21	-0.66
(C)	Others									
	CLEARING MEMBERS	6363	0	6363	0.06	1427	0	1427	0.01	-0.04
	F C B	38803	0	38803	0.34	38803	0	38803	0.34	0.00
	IEPF	73498	0	73498	0.64	82719	0	82719	0.72	0.08
	NON RESIDENT INDIANS	49021	62809	111830	0.97	46152	57150	103302	0.90	-0.07
	NRI NON-REPATRIATION	22192	0	22192	0.19	17489	0	17489	0.15	-0.04
	TRUSTS	10	0	10	0.00	10	0	10	0.00	0.00
(D)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	2423543	241685	2665228	23.12	2539428	212697	2752125	23.87	0.75
	Total Public Shareholding B=B(1)+B(2) :	3712815	248862	3961677	34.37	3742033	219644	3961677	34.37	0.00
	Total (A+B) :	11278935	248862	11527797	100.00	11308153	219644	11527797	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	11278935	248862	11527797	100.00	11308153	219644	11527797	100.00	

Asian Hotels (East) Limited

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares s Pledged/encumbered to total share	
1	Saraf Industries Limited	3630630	31.49	0	3630630	31.49	0	0
2	Radhe Shyam Saraf	3284680	28.49	0	3284680	28.49	0	0
3	Ratna Saraf	617347	5.36	0	617347	5.36	0	0
4	Umesh Saraf	24731	0.21	0	24731	0.21	0	0
5	Arun Kumar Saraf	8732	0.08	0	8732	0.08	0	0
	Total	7566120	65.63	0	7566120	65.63	0	0

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

SI No.		Shareholding at the beginning of the year 1 st April, 2018		Cumulative Shareholding during the year 31 st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There was no change in the promoters shareholding during the year under review			
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the end of the year				

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

SI No.	Name	Shareholding at the beginning of the year (01.04.2018)/end of the year (31.03.2019)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2018 to 31.03.2019)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
1	Axis Bank Limited	624487	5.42	31/03/2018			624487	5.42
				11/01/2019	-2226	Transfer	622261	5.40
				22/02/2019	-261	Transfer	622000	5.40
				08/03/2019	-3300	Transfer	618700	5.37
				22/03/2019	-2700	Transfer	616000	5.34
				29/03/2019	-69515	Transfer	546485	4.74
				31/03/2019			546485	4.74
2	Whitepin Tie Up Limited	482065	4.18	31/03/2018			482065	4.18
				31/03/2019		Nil Movement	482065	4.18
3	Aditya Birla Sun Life Insurance Company Limited	450707	3.91	31/03/2018			450707	3.91
				31/03/2019		Nil Movement	450707	3.91

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Sl. No.	Name	Shareholding at the beginning of the year (01.04.2018)/end of the year (31.03.2019)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2018 to 31.03.2019)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
4	Sachdeva Stocks Private Limited	160000	1.39	31/03/2018			160000	1.39
				13/04/2018	307	Transfer	160307	1.39
				20/04/2018	-307	Transfer	160000	1.39
				25/05/2018	169	Transfer	160169	1.39
				08/06/2018	3240	Transfer	163409	1.42
				15/06/2018	2368	Transfer	165777	1.44
				22/06/2018	1159	Transfer	166936	1.45
				06/07/2018	827	Transfer	167763	1.46
				20/07/2018	1290	Transfer	169053	1.47
				27/07/2018	804	Transfer	169857	1.47
				03/08/2018	16129	Transfer	185986	1.61
				10/08/2018	2000	Transfer	187986	1.63
				17/08/2018	3353	Transfer	191339	1.66
				24/08/2018	2992	Transfer	194331	1.69
				31/08/2018	10763	Transfer	205094	1.78
				07/09/2018	1978	Transfer	207072	1.80
				14/09/2018	678	Transfer	207750	1.80
				28/09/2018	35587	Transfer	243337	2.11
				05/10/2018	4663	Transfer	248000	2.15
				12/10/2018	3015	Transfer	251015	2.18
				19/10/2018	563	Transfer	251578	2.18
				26/10/2018	3437	Transfer	255015	2.21
				02/11/2018	1803	Transfer	256818	2.23
				16/11/2018	1623	Transfer	258441	2.24
				04/01/2019	677	Transfer	259118	2.25
				11/01/2019	7251	Transfer	266369	2.31
				08/02/2019	85	Transfer	266454	2.31
				15/02/2019	2439	Transfer	268893	2.33
				22/02/2019	2608	Transfer	271501	2.36
				01/03/2019	567	Transfer	272068	2.36
				15/03/2019	1651	Transfer	273719	2.37
				22/03/2019	1780	Transfer	275499	2.39
				29/03/2019	73224	Transfer	348723	3.03
				31/03/2019			354970	3.08

Asian Hotels (East) Limited

Sl. No.	Name	Shareholding at the beginning of the year (01.04.2018)/end of the year (31.03.2019)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2018 to 31.03.2019)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
5	Life Insurance Corporation of India	127599	1.11	31/03/2018			127599	1.11
				31/03/2019			127599	1.11
6	Surendra Kumar Gupta	107841	0.94	31/03/2018			107841	0.94
				06/04/2018	-1	Transfer	107840	0.94
				13/04/2018	-500	Transfer	107340	0.93
				11/05/2018	-500	Transfer	106840	0.93
				22/06/2018	-282	Transfer	106558	0.92
				20/07/2018	-645	Transfer	105913	0.92
				03/08/2018	-500	Transfer	105413	0.91
				17/08/2018	-645	Transfer	104768	0.91
				02/11/2018	-129	Transfer	104639	0.91
				16/11/2018	-94	Transfer	104545	0.91
				14/12/2018	100	Transfer	104645	0.91
				04/01/2019	48	Transfer	104693	0.91
				18/01/2019	-902	Transfer	103791	0.90
				25/01/2019	-1441	Transfer	102350	0.89
				01/02/2019	303	Transfer	102653	0.89
				08/02/2019	100	Transfer	102753	0.89
				01/03/2019	300	Transfer	103053	0.89
				08/03/2019	800	Transfer	103853	0.90
				15/03/2019	1134	Transfer	104987	0.91
				22/03/2019	29	Transfer	105016	0.91
				29/03/2019	3150	Transfer	108166	0.94
				31/03/2019			108286	0.94
7	Investor Education and Protection Fund Authority	73508	0.64	31/03/2018			73508	0.64
				06/07/2018	125	Transfer	73633	0.64
				31/03/2019			82729	0.72
8	Burmans Finvest Private Limited	54000	0.47	31/03/2018			54000	0.47
				31/03/2019			54000	0.47
9	Polus Global Fund	50000	0.43	31/03/2018			50000	0.43
				31/03/2019			50000	0.43
10	Ashtek Consultancy Private Limited	49000	0.43	31/03/2018			49000	0.43
				04/05/2018	-1500	Transfer	47500	0.41
				22/06/2018	500	Transfer	48000	0.42
				10/08/2018	-456	Transfer	47544	0.41
				31/03/2019			47544	0.41

Asian Hotels (East) Limited

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2018)/ end of the year (31.03.2019)		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2018 to 31.03.2019)	
		No of Shares	% of total shares of the Company				No of Shares	% of total shares of the Company
A.	Directors:							
1.	Radhe Shyam Saraf Non-Executive Chairman	3284680	28.49	01/04/2018			3284680	28.49
				31/03/2019	0	Nil movement during the year	3284680	28.49
2.	Arun Kumar Saraf Joint Managing Director	8732	0.08	01/04/2018			8732	0.08
				31/03/2019		Nil movement during the year	8732	0.08
3.	Umesh Saraf Joint Managing Director	24731	0.21	01/04/2018			24731	0.21
				31/03/2019		Nil movement during the year	24731	0.21
4.	Rama Shankar Jhavar Independent Non-Executive Director	0	0.00	01/04/2018				
		0	0.00	31/03/2019	0	Nil movement during the year	0	0.00
5.	Padam Kumar Khaitan Independent Non-Executive Director	0	0.00	01/04/2018				
		0	0.00	31/03/2019	0	Nil movement during the year	0	0.00
6.	Amal Ch. Chakrabortti Independent Non-Executive Director	0	0.00	01/04/2018				
		0	0.00	31/03/2019	0	Nil movement during the year	0	0.00
7.	Rita Bhimani Independent/ Women Director	0	0.00	01/04/2018				
		0	0.00	31/03/2019	0	Nil movement during the year	0	0.00

Asian Hotels (East) Limited

		Shareholding at the beginning of the year (01.04.2018) / end of the year (31.03.2019)					Cumulative Shareholding during the Year (01.04.2018 to 31.03.2019)	
Sl. No.	For each of the Directors and KMP	No of Shares	% of total shares of the Company	Date	Increase/ Decrease in share holding	Reason	No of Shares	% of total shares of the Company
B.	Key Managerial Personnel's :							
1.	Bimal Kumar Jhunjhunwala CFO & Vice-President Corporate Finance	0	0.00	01/04/2018				
		0	0.00	31/03/2019	0	Nil movement during the year	0	0.00
2.	Saumen Chatterjee Chief Legal Officer & Company Secretary	0	0.00	01/04/2018				
		0	0.00	31/03/2019	0	Nil movement during the year	0	0.00

V. INDEBTEDNESS

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

(Rs. in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total(i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
Addition	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total(i+ii+iii)	NIL	NIL	NIL	NIL

Asian Hotels (East) Limited

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager : (Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager		Total Amount
		Umesh Saraf	Arun K Saraf	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	120.96	185.76	306.72
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	21.06	Nil	21.06
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961			
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	– as % of profit	NIL	NIL	NIL
	– others, specify	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	142.02	185.76	327.78
	Ceiling as per the Act (under Section 198 of the Companies Act, 2013)	244.00	244.00	488.00

B. Remuneration to other directors (Rs.in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Padam Kumar Khaitan	Rama Shankar Jhawar	Aamal Chandra Chakrabortti	Radhe Shyam Saraf	Ms. Rita Bhimani	
	1. Independent Directors						
	– Fee for attending board/committee meetings	2.50	2.90	3.70	NIL	2.80	11.90
	– Commission	NIL	NIL	NIL	NIL	NIL	NIL
	– Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	2.50	2.90	3.70	NIL	2.80	11.90
	2. Other Non-Executive Directors						
	– Fee for attending board/committee meetings	NIL	NIL	NIL	0.50	NIL	0.50
	– Commission	NIL	NIL	NIL	NIL	NIL	NIL
	– Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	0.50	NIL	0.50
	Total (B)=(1+2)	2.50	2.90	3.70	0.50	2.80	12.40
	Total Managerial Remuneration						12.40
	Overall Ceiling as per the Act (under Section 198 of the Companies Act, 2013)	6.00	11.00	9.00	4.00	4.00	34.00

Asian Hotels (East) Limited

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs. in lacs)

Sl. no.	Particulars of Remuneration	CEO	Key Managerial Personnel		Total
			Company Secretary - Saumen Chatterjee	CFO - Bimal K. Jhunjhunwala	
1	Gross salary	N.A.			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		39.94	42.91	82.85
	(b) Value of perquisites u/s17(2) of the Income-tax Act, 1961		—	0.21	0.21
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961		—	—	—
2	Stock Option		—	—	—
3	Sweat Equity		—	—	—
4	Commission				
	– as % of profit		—	—	—
	– others, specify...		—	—	—
5	Others, please specify		—	—	—
	Total		39.94	43.12	83.06

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN :00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhawar
Director
(DIN: 00023792)

ANNEXURE - X

PARTICULARS OF REMUNERATION

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended :

i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:

Directors	Ratio to Median Remuneration
Mr. Rama Shankar Jhavar – Independent Non-Executive Director*	Not Applicable
Mr. Amal Chandra Chakrabortti – Independent Non-Executive Director*	Not Applicable
Mr. Padam Kumar Khaitan – Independent Non-Executive Director*	Not Applicable
Ms. Rita Bhimani – Independent Non-Executive Women Director*	Not Applicable
Mr. Radhe Shyam Saraf – Non-Executive Chairman*	0.18
Mr. Arun Kumar Saraf – Joint Managing Director (JMD)	65.64
Mr. Umesh Saraf – Joint Managing Director (JMD)	67.36

ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19:

Directors and Key Managerial Personnel	% Increase in remuneration
Mr. Rama Shankar Jhavar*	Not Applicable
Mr. Amal Chandra Chakrabortti*	Not Applicable
Mr. Padam Kumar Khaitan*	Not Applicable
Ms. Rita Bhimani*	Not Applicable
Mr. Radhe Shyam Saraf*	0%
Mr. Arun Kumar Saraf, JMD	5.88%
Mr. Umesh Saraf, JMD	5.88%
Mr. Bimal Kumar Jhunjhunwala, CFO & Vice-President Corporate Finance**	5.00%
Mr. Saumen Chatterjee, Chief Legal Officer & Company Secretary**	5.00%

Note - Independent Directors and Chairman do not receive any remuneration except sitting fees for attending board & committee meetings of the Company.

iii) the percentage increase in the median remuneration of employees in the financial year 2018-19: 15.88%

iv) the number of permanent employees on the rolls of company: 285

v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The Average salary increase in non-managerial employees is 7.49% and the average salary increase in managerial employees 5.44%.

vi) affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

Notes:- * Independent Directors and Chairman are entitled to sitting fees. Sitting fees paid to them has not been considered as remuneration.

** Five (5%) increase in remuneration is given on anniversary year.

For and on behalf of the Board of Directors

Kolkata
10th May, 2019

A C Chakrabortti
Director
(DIN : 00015622)

Umesh Saraf
Joint Managing Director
(DIN : 00017985)

Rama Shankar Jhavar
Director
(DIN: 00023792)

Asian Hotels (East) Limited

To
The Board of Directors
Asian Hotels (East) Limited
Hyatt Regency Kolkata,
JA-1, Sector - III,
Salt Lake City
Kolkata 700 098.

Dear Sirs,

Sub: Compliance Certificate furnished by Joint Managing Director and CFO & Vice President-Corporate Finance of the Company as for the quarter ended (Q4) and financial year ended 31st March, 2019 as per Part-B of Schedule II of Regulation 17(8) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We, the undersigned, in our capacities as the Joint Managing Director & CFO & Vice President - Corporate Finance of Asian Hotels (East) Limited (the Company) to the best of our knowledge and belief certify that:

- (a) We have reviewed the Financial Statements, Financial Results and Cash Flow Statement for the financial year ended 31st March, 2019:
 - (i) These statements do not contain any materially untrue or false statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws & regulations.
- (b) That, there are no transactions entered into by the Company during the financial year which are fraudulent, illegal or violating the Company's code of conduct.
- (c) We are responsible for establishing & maintaining Internal Controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of such internal control system, if any, and that we have taken the required steps to rectify these deficiencies.
- (d) We have indicated, based on our evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the financial year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of fraud which we have become aware and the involvement therein, if any, of management or an employee having significant role in the Company's internal control system over financial reporting.

For **Asian Hotels (East) Limited**

Kolkata
10th May, 2019

Umesh Saraf
Joint Managing Director
(DIN: 00017985)

Bimal K Jhunjunwala
CFO & Vice President-Corporate Finance

Asian Hotels (East) Limited

DECLARATION

In compliance with Part D of Schedule V of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Umesh Saraf, Joint Managing Director of the Company hereby declare on the basis of information furnished to me that all members of Board of Directors and Senior Management have affirmed in writing the compliance of their respective Code of Conduct adopted by the Board for the Financial Year 2018-19.

For **Asian Hotels (East) Limited**

Place: Kolkata
10th May, 2019

Umesh Saraf
Joint Managing Director
(DIN: 00017985)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of Asian Hotels (East) Limited
Hyatt Regency Kolkata,
Ja-1 Sector - 3, Salt Lake City
Kolkata- 700098

- 1) We have examined the compliance of conditions of Corporate Governance by Asian Hotels (East) Limited. ("herein after referred "the Company"), for the financial year ended on 31st March, 2019, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015.
- 2) The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3) In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations.
- 4) We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **ARPAN SENGUPTA & ASSOCIATES**
Company Secretaries

CS ARPAN SENGUPTA
Proprietor
Membership No.: ACS 37706
COP No.: 14416

Place: Kolkata
Date: 10th May, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Asian Hotels (East) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 45 of the financial statements, in respect of Scheme of Arrangement which describes the effects of the scheme of merger of its subsidiary company's (GJS Hotels Ltd.) investment division with the company, with effect from appointed date 31st March 2016 subject to necessary approvals. Pending approval of NCLT, Chennai, no adjustment has been made in these accounts. The implications of the said scheme on these financial statements has also been detailed in the said note. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1.	Evaluation of uncertain tax positions The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 39 to the Standalone Financial Statements Investment and Loans given to subsidiary Regency Convention Centre (RCC) We identified Non Current Investment of Rs. 25.79 crores, advance given for acquisition of shares of Rs. 3.34 crores and short term loans of Rs. 2.03 crores in the subsidiary RCC (holding being 62.44%) as a key audit matter as the recoverability of the above may be uncertain due to dispute with Airport Authorities of India (AAI), Mumbai for the land at village- Sahar, Andheri (East) being the major asset in the subsidiary. The management has entered into an agreement for sale of the company RCC, at a price higher than the carrying amount. Refer Note 42 to the standalone financial statement	Principal Audit Procedures We have obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to examine the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. We have reviewed the agreement entered into by the company and have been reassured by the management of its intent and financial capability. Further, we have examined the steps taken by the management subsequent to the balance sheet to execute the same.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

Asian Hotels (East) Limited

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 39
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for Rs 12,390/- of F.Y. 2009-10 and Rs 18,585/- of F.Y. 2010-11 being restrained shares could not be transferred due to pending legal cases. Refer Note 46 to the Financial Statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Anurag Singhi)
Partner
Membership No. 066274

Place: Kolkata
Date : 10th May, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Asian Hotels (East) Limited of even date)

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

We have audited the internal financial controls over financial reporting of **ASIAN HOTELS (EAST) LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Asian Hotels (East) Limited

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata
Date : 10th May, 2019

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Anurag Singhi)
Partner
Membership No. 066274

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2019, we report that:

- i. In respect of Company's 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 regular programme of physical verification of its fixed assets by which fixed assets are verified in a periodical order. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at regular intervals by the management. No material discrepancies were noticed on such physical verification;
- iii. The Company has granted unsecured loans/advances to parties covered in the register maintained under section 189 of the Companies Act, 2013. With respect to the said loans/advances we have to state that:
 - (a) In our opinion, the terms and conditions of the grant of such loans / advances are not prejudicial to the Company's interest;
 - (b) These unsecured loans/advances are repayable on demand. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - (c) The total overdue amount for more than ninety days is Nil.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act to the extent applicable.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax, Goods & Service Tax or cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, the dues outstanding in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax, on account of disputes are as follows:

Nature of the Statute	Nature of Dues	Amount (In ₹)	Forum where dispute is pending	Period to which the amount relates
Finance Act, 1994	Service Tax	4,379,735	Commissioner (Appeals)	Prior to FY 2004-05
Finance Act, 1994	Service Tax	26,753,749	Commissioner of Service Tax	FY 2007-08 to FY 2009-10
Finance Act, 1994	Service Tax	6,836,585	Service Tax Appellate Tribunal	FY 2008-09 to FY 2012-13
Finance Act, 1994	Service Tax	348,656	Service Tax Appellate Tribunal	FY 2006-07 to FY 2013-14
Finance Act, 1994	Service Tax	7,644,193	Service Tax Tribunal	FY 2013-14
West Bengal Sales Tax Act, 1994	Sales Tax	5,683,418	Commissioner (Appeals)	FY 2012-13
West Bengal Value Added Tax Act, 2003	VAT	396,345	Commissioner (Appeals)	FY 2012-13
Income Tax Act, 1961	Income Tax	16,841,387	Income Tax Appellate Tribunal	FY 2011-12
Income Tax Act, 1961	Income Tax	11,793,677	Income Tax Appellate Tribunal	FY 2012-13
Income Tax Act, 1961	Income Tax	12,141,837	Income Tax Appellate Tribunal	FY 2013-14
Income Tax Act, 1961	Income Tax	6,976,470	CIT (Appeals)	FY 2014-15
West Bengal Value Added Tax Act, 2003	VAT	181,216	Appeal Filed -Before Joint Commissioner	FY 2014-15

Asian Hotels (East) Limited

Nature of the Statute	Nature of Dues	Amount (In ₹)	Forum where dispute is pending	Period to which the amount relates
West Bengal Value Added Tax Act, 2003	VAT	81,701,265	Additional Commissioner, Commercial Taxes, WB	FY 2009-10
West Bengal Value Added Tax Act, 2003	VAT	13,09,677	Joint Commissioner , Commercial Taxes, WB	FY 2015-16
Finance Act, 1994	Service Tax	49,780,103	Kolkata Commissionerate CGST & CX, Group 3 , Circle-I	FY 2014-15 to 2016-17
Foreign Trade Development Regulation Act, 1992	SFIS	39,636,944	Office of the Additional Director General of Foreign Trade	FY 2011-12, 2014-15, 2016-17

- vii. According to the records of the Company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to any financial institution or bank or dues to debenture holders as at the Balance sheet date. The Company does not have any loans or borrowings from Government as at Balance sheet date.
- viii. The company has not raised any money by way of initial public offer or further public offer including debt instruments during the year. Further, according to the information and explanations given to us the Company has applied term loans for the purpose for which they were obtained.
- ix. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- x. The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act
- xi. The company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Anurag Singhi)
Partner
Membership No. 066274

Place: Kolkata
Date : 10th May, 2019

Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

BALANCE SHEET as at 31.03.2019

		Amount in ₹	
Particulars	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	3	1,097,591,815	1,122,545,879
(b) Intangible Assets	3	1,848,031	2,548,811
(c) Capital work in progress	4	1,442,679	614,290
(d) Financial assets			
(i) Investments	5	3,854,417,962	3,807,375,872
(ii) Other financial assets	6	11,448,055	11,418,055
(e) Income tax assets (net)	7	85,885,919	94,723,649
		5,052,634,461	5,039,226,556
(2) Current assets			
(a) Inventories	9	13,657,582	24,112,124
(b) Financial assets			
(i) Investments	5	690,886,317	461,132,898
(ii) Trade receivables	10	68,585,259	65,325,679
(iii) Cash and cash equivalents	11	20,142,518	178,670,347
(iv) Other bank balances	11	45,826,671	24,505,855
(iv) Loans	12	3,646,633,869	3,500,329,617
(v) Other financial assets	6	19,571,212	16,849,231
(c) Other current assets	8	29,259,892	39,421,429
		4,534,563,320	4,310,347,180
Total Assets		9,587,197,781	9,349,573,736
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	115,277,970	115,277,970
(b) Other equity	14	9,101,825,774	8,911,630,434
		9,217,103,744	9,026,908,404
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	17	1,538,000	1,863,000
(b) Provisions	18	16,586,334	15,398,590
(c) Deferred tax liabilities (net)	19	71,118,784	72,869,892
		89,243,118	90,131,482
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	10,730,380	-
(ii) Trade payables	16		
– Total outstanding dues of Micro, Small and Medium Enterprise		409,811	552,518
– Total outstanding dues of creditors other than Micro, Small and Medium Enterprise		54,242,982	39,684,166
(iii) Other financial liabilities	17	75,756,675	98,438,968
(b) Provisions	18	8,718,602	7,407,482
(c) Other current liabilities	20	130,992,469	86,450,716
		280,850,919	232,533,850
Total Equity & Liabilities		9,587,197,781	9,349,573,736

The accompanying notes form an integral part of the standalone financial statements.

In terms of our report attached
For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhavar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Bimal Kr Jhunjunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

STATEMENT OF PROFIT AND LOSS for the period April 1, 2018 to March 31, 2019

		Amount in ₹	
Particulars	Note	Year ended 31.03.2019	Year ended 31.03.2018
I Revenue from operations	21	1,034,424,671	1,021,395,820
II Other income	22	102,698,105	56,060,732
III Total income		1,137,122,776	1,077,456,552
IV Expenses			
Consumption of provisions, beverages, smokes & others	23	126,657,266	139,396,221
Employee benefits expenses	24	208,214,084	198,581,079
Depreciation and amortization expenses	3	49,238,742	54,360,077
Other expenses	25	508,643,161	497,714,047
Total expenses		892,753,253	890,051,424
V Profit / (loss) before exceptional items and tax		244,369,523	187,405,128
VI Exceptional items		-	-
VII Profit / (loss) before tax		244,369,523	187,405,128
VIII Tax expense	26		
(1) Current tax		77,918,086	68,912,626
(2) Deferred tax		(10,820,673)	(30,262,660)
(3) MAT		(1,163,517)	-
(4) Tax for earlier years/MAT credit lapsed		629,555	1,325,746
IX Profit / (loss) for the year		177,806,072	147,429,416
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		127,826	(1,040,641)
Equity instruments through other comprehensive income		47,042,090	22,573,846
(ii) Income tax relating to items that will not be reclassified to profit or loss		(37,223)	360,145
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		47,132,693	21,893,350
XI Total comprehensive income for the year		224,938,765	169,322,766
XII Earnings per equity share			
(1) Basic	27	15.42	12.79
(2) Diluted	27	15.42	12.79

The accompanying notes form an integral part of the standalone financial statements.

In terms of our report attached

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772) Joint Managing Director
Umesh Saraf (DIN: 00017985) Joint Managing Director
A. C. Chakrabortti (DIN: 00015622) Director
Rama Shankar Jhawar (DIN: 00023792) Director
Padam Kumar Khaitan (DIN: 00019700) Director
Rita Bhimani (DIN: 07106069) Director

Bimal Kr Jhunjhunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

STATEMENT OF CHANGES IN EQUITY for the period April 1, 2018 to March 31, 2019

STATEMENT OF CHANGES IN EQUITY for the period April 1, 2018 to March 31, 2019								Amount in
Particulars	Equity Share Capital	Other Equity					Total equity attributable to equity holders of the Company	
		Reserves and Surplus				Other Comprehensive Income		
		Retained earnings	General Reserve	Securities premium account	Capital Redemption Reserve			Capital reserve
As at 01.04.2017	115,277,970	2,711,719,280	5,615,532,555	-	2,000,000	417,998,203	8,885,334,809	
Change in equity for the year ended March 31, 2018	-	-	-	-	-	-	-	
Profit for the year	-	147,429,416	-	-	-	-	147,429,416	
Final Dividend paid for the year 2016-17	-	(23,055,594)	-	-	-	-	(23,055,594)	
Dividend distribution tax	-	(4,693,577)	-	-	-	-	(4,693,577)	
Other comprehensive income / (loss) for the year, net of tax	-	(680,496)	-	-	-	-	21,893,350	
Total comprehensive income for the year	-	118,999,749	-	-	-	22,573,846	141,573,595	
Allocations/Appropriations:								
Transferred to/ (from) General Reserve	-	(15,000,000)	15,000,000	-	-	-	-	
Balance as at March 31, 2018	115,277,970	2,815,719,029	5,630,532,555	-	2,000,000	417,998,203	9,026,908,404	
Change in equity for the year ended March 31, 2019	-	-	-	-	-	-	-	
Profit for the year	-	177,806,072	-	-	-	-	177,806,072	
Final Dividend paid for the year 2017-18	-	(28,819,493)	-	-	-	-	(28,819,493)	
Dividend distribution tax	-	(5,923,932)	-	-	-	-	(5,923,932)	
Other comprehensive income / (loss) for the year, net of tax	-	90,603	-	-	-	47,042,090	47,132,693	
Total comprehensive income for the year	-	143,153,250	-	-	-	47,042,090	190,195,340	
Allocations/Appropriations:								
Transferred to/ (from) General Reserve	-	(15,000,000)	15,000,000	-	-	-	-	
Balance as at March 31, 2019	115,277,970	2,943,872,279	5,645,532,555	-	2,000,000	417,998,203	9,217,103,744	

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For Singhi & Co.
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772) Joint Managing Director
Umesh Saraf (DIN: 00017985) Joint Managing Director
A. C. Chakrabortti (DIN: 00015622) Director
Rama Shankar Jhavar (DIN: 00023792) Director
Padam Kumar Khaitan (DIN: 00019700) Director
Rita Bhimani (DIN: 07106069) Director

Bimal Kr Jhunjhunwala CFO & Vice President- Corporate Finance
Saumen Chatterjee Chief Legal Officer & Company Secretary

Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

CASH FLOW STATEMENT for the year ended 31.03.2019

Particulars	Year ended 31.03.2019	Amount in ₹ Year ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	244,369,523	187,405,128
Adjustment for :		
Depreciation/amortization	49,238,742	54,360,077
Loss/(profit) on sale of fixed assets (Net)	36,349	346,820
Interest expense	-	-
Provision for bad and doubtful debts	1,396,697	-
Excess provision written back	(28,407,804)	(1,594,862)
Provision for gratuity	2,454,826	242,543
Provision for leave encashment	171,864	(1,446,018)
Interest income	(33,863,808)	(21,702,877)
Dividend income	(12,849,034)	(17,290,167)
Assets written off (Non cash item)	960,428	1,634,316
Net gain on current investments	-	-
Fair value gain on mutual funds	(27,452,458)	(14,908,913)
Operating profit before working capital changes	196,055,325	187,046,047
Movements in working capital :		
Increase/(decrease) in current trade payables	14,416,109	9,550,054
Increase/(decrease) in non-current trade payables	-	-
Increase/(decrease) in other current financial liabilities	6,083,879	24,142,174
Increase/(decrease) in other non-current financial liabilities	(325,000)	289,000
Increase/(decrease) in other current liabilities	44,541,754	56,329,615
Decrease/(increase) in trade receivables	(4,656,277)	(6,118,547)
Decrease/(increase) in inventories	10,454,542	2,254,156
Decrease/(increase) in non-current financial assets	(30,000)	118,970
Decrease/(increase) in current financial assets	(21,680,000)	-
Decrease/(increase) in non-current loans	-	-
Decrease/(increase) in current loans	136,068	215,932
Decrease/(increase) in other assets	10,161,537	(13,672,729)
Cash generated from/(used in) operations	255,157,937	260,154,672
Less: Direct taxes paid (Net of Refunds)	59,514,052	78,134,841
Net cash flow from/ (used in) Operating Activities (A)	195,643,885	182,019,831
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for fixed assets	(25,049,011)	(19,773,760)
Decrease/(Increase) in capital work in progress	(828,389)	(523,840)
Decrease/(Increase) in capital advance	-	274,879
Proceeds from sale of fixed assets	468,335	130,057
Purchase of non current investments	-	(10,934,664)
Proceeds from sale/maturity of current investments	(202,300,961)	218,225,754
Non-current loans given/(repaid)	(146,440,320)	(222,570,000)
Interest received	31,321,827	17,019,659
Dividend received	12,849,034	17,290,167
Net cash flow from/(used in) Investing Activities (B)	(329,979,485)	(861,748)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	-
Proceeds from borrowings	10,730,380	-
Interest paid on borrowings	-	-
Payment of other borrowing cost	-	-
Dividend paid on shares	(28,998,677)	(22,964,655)
Tax on dividend paid	(5,923,932)	(4,693,577)
Net cash flow from/(used in) in Financing Activities (C)	(24,192,229)	(27,658,232)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	(158,527,829)	153,499,851
Cash and Cash Equivalents at the beginning of the year	178,670,347	25,170,496
Cash and Cash Equivalents at the end of the year	20,142,518	178,670,347

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".

In terms of our report attached

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhavar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Bimal Kr Jhunjunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

1. Company Overview and Significant Accounting Policies

1.1 Company overview

Asian Hotels (East) Limited is a Public Limited Company listed with Bombay Stock Exchange and National Stock Exchange and is primarily engaged in the Hotel business through "Hyatt Regency Kolkata" a five-star Hotel situated in the city of Kolkata.

1.2. Basis of preparation of financial statement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are approved for issue by the Company's Board of Directors on May 10, 2019

1.3 Functional & Presentation Currency

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency.

1.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.5 Significant Accounting Policies

a. Property Plant & Equipment:

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and its cost can be measured reliably. Intangible assets are amortised on straight line basis over their estimated useful lives.

Depreciation on fixed assets is calculated on a straight-line basis using the rates based on the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013. 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.

b. Investments in Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company's investment in the equity shares of its subsidiaries are recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries are recognized at fair value.

c. Inventories

Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion & selling expenses.

d. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

e. Financial Instruments

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

Financials Asset

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

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

- (i) Financial Asset at amortized cost
- (ii) Financial Asset At Fair Value through other comprehensive income (OCI)
- (iii) Financial Asset at Fair value through profit and loss (PL)

Financial Asset at amortized cost

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

Financial Asset at Fair value through OCI

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

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

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial Asset at fair value through profit or loss

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

Derogisation of Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

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

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

Impairment of financial assets

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For financial liabilities maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

Subsequent Measurement

Financial liabilities at fair value through profit or loss

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

Financial Liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

f. Cash and Cash Equivalents

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

g. Trade Payables & Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

h. Provisions, Contingent liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

A contingent liability is disclosed in case of;

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

- a present obligation arising from past events, when no reliable estimate is possible ;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from contract with customer

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of Goods:

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The normal credit term is 30 days upon delivery. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Sale of Services:

The Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room booking and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

j. Other Income

Other income is comprised primarily of interest income, dividend income, gain on sale of investments and exchange gain/loss on translation of assets and liabilities. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recognised using the effective interest rate (EIR). Dividend income is recognised when right to receive payment is established.

k. Borrowing Costs

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

l. Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

m. Earnings per share

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity shares during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

n. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2014, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing cost. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

o. Fair Value Measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

p. Employee benefits

Provident Fund:

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

Gratuity & Leave Encashment (Unfunded):

Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by an independent actuary using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

q. Foreign Currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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

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

r. Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

s. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of Asian Hotels (East) Limited generally assesses the financial performance and position of the company, and makes strategic decisions.

t. Impairment of non-current assets -

Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed over the period of three years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

u. New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees' leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in its Financial Statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 Income Taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 plan amendment, curtailment or settlement:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

2. Key Accounting Estimates & Judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

Deferred tax assets are recognized for unused tax losses/MAT carry forward to the extent is possible that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including amount expected to be paid / recovered for uncertain tax positions.

b. Property, Plant and Equipment and Useful Life of PPE and Intangible Assets

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the products or service output of the asset.

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31.03.2019

c. Defined Benefit Plans

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting require the Company to make assumptions regarding variables such as discount rate, rate of as at and for the year ended March 31, 2019.

d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

e. Provisions and Contingencies

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

3. PROPERTY, PLANT & EQUIPMENT & INTANGIBLE ASSETS

Amount in ₹

Particulars	Leasehold Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
Gross Block (at cost)						
As at 31.03.2017	267,042,819	1,000,723,331	618,083,203	166,589,259	9,185,489	2,061,624,101
Additions	-	1,626,526	4,130,006	12,158,048	-	17,914,580
Disposals	-	1,634,316	182,624	471,384	-	2,288,324
As at 31.03.2018	267,042,819	1,000,715,541	622,030,585	178,275,923	9,185,489	2,077,250,357
Additions	-	653,763	3,623,137	2,149,130	18,622,981	25,049,011
Disposals	-	-	616,560	676,565	171,988	1,465,113
As at 31.03.2019	267,042,819	1,001,369,304	625,037,162	179,748,488	27,636,482	2,100,834,255
Depreciation						
As at 31.03.2017	-	228,900,837	514,609,357	149,052,082	8,216,265	900,778,541
Charge for the year	-	15,792,331	36,033,191	1,944,325	333,222	54,103,069
Disposals	-	-	173,493	3,639	-	177,132
As at 31.03.2018	-	244,693,168	550,469,055	150,992,768	8,549,487	954,704,478
Charge for the year	-	15,868,867	22,908,499	8,537,209	1,223,387	48,537,962
Disposals	-	-	-	-	-	-
As at 31.03.2019	-	260,562,035	573,377,554	159,529,977	9,772,874	1,003,242,440
Net Block						
As at 31.03.2018	267,042,819	756,022,373	71,561,530	27,283,155	636,002	1,122,545,879
As at 31.03.2019	267,042,819	740,807,269	51,659,608	20,218,511	17,863,608	1,097,591,815
Intangible Assets	Softwares					
Gross Block (at cost)						
As at 31.03.2017	7,872,446					
Additions	1,859,180					
Disposals	-					
As at 31.03.2018	9,731,626					
Additions	-					
Disposals	-					
As at 31.03.2019	9,731,626					
Depreciation						
As at 31.03.2017	6,925,807					
Charge for the year	257,008					
Disposals	-					
As at 31.03.2018	7,182,815					
Charge for the year	700,780					
Disposals	-					
As at 31.03.2019	7,883,595					
Net Block						
As at 31.03.2018	2,548,811					
As at 31.03.2019	1,848,031					

Note: The company has reviewed its estimate with respect to residual value of property plant and equipment and intangible assets. On the basis of the technical assessment of the assets, the depreciation has been calculated considering the revised residual value of the assets over the remaining useful life of the assets and accordingly the depreciation charge for the year has increased by ₹ 2,07,67,325 and WDV of assets has decreased by ₹ 2,07,67,325.

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

4. CAPITAL WORK IN PROGRESS

Amount in ₹

Particulars	Building	Plant & Equipment	Furniture & Fixtures	Total
As at 31.03.2017	90,450	-	-	90,450
Additions	1,170,768	5,845,470	-	7,016,238
Capitalisation	646,928	5,845,470	-	6,492,398
As at 31.03.2018	614,290	-	-	614,290
Additions	828,389	-	-	828,389
Capitalisation	-	-	-	-
As at 31.03.2019	1,442,679	-	-	1,442,679

5. INVESTMENTS

Amount in ₹

Particulars	Non-current	
	As at 31.03.2019	As at 31.03.2018
Unquoted		
Investment in Equity Shares carried at cost		
Investment in equity shares of subsidiary - GJS Hotels Limited (Refer Note No 45)		
10,961,000 (previous year: 10,961,000) equity shares of ₹ 10/- each fully paid up	2,346,365,000	2,346,365,000
Investment in equity shares of subsidiary - Robust Hotels Private Limited (Refer Note No 45)		
30,010,000 (previous year: 30,010,000) equity shares of ₹ 10/- each fully paid up	300,175,000	300,175,000
Investment in equity shares of subsidiary - Regency Convention Centre & Hotels Limited (Refer Note 42)		
97,009 (previous year: 91,652) equity shares of ₹ 10/- each fully paid up	257,901,724	257,901,724
	2,904,441,724	2,904,441,724
Investment in Preference Shares carried at amortised cost		
Investment in preference shares of subsidiary - Robust Hotels Pvt. Ltd. (Refer Note No 45)		
4,300,000 (previous year: 4,300,000) 12% cumulative redeemable preference shares of ₹ 100/-each fully paid up	615,374,060	615,374,060
	615,374,060	615,374,060
Quoted		
Investment carried at FVTOCI		
Investment in equity shares of Asian Hotels (West) Limited		
524,438 (previous year: 524,438) equity shares of ₹ 10/- each fully paid up	184,602,178	137,560,088
Investment carried at amortised cost		
Investment in Bonds of Indian Railways Financial Corporation Limited		
150,000 (previous year: 150,000) 8.23% tax free bonds of ₹ 1000/-each	150,000,000	150,000,000
	334,602,178	287,560,088
	3,854,417,962	3,807,375,872
Aggregate value of quoted investments	334,602,178	287,560,088
Aggregate value of unquoted investments	3,519,815,784	3,519,815,784

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5. INVESTMENTS

Amount in ₹

Particulars	As at 31.03.2019 No. of units	As at 31.03.2018 No. of units	Current	
			As at 31.03.2019 ₹	As at 31.03.2018 ₹
Unquoted, fully paid up				
Investment carried at FVTPL				
Investment in units of mutual funds [face value (FV) of Rs 10 each, unless otherwise stated]				
Aditya Birla Sun Life Cash Plus -DDR	-	805,494	-	80,768,621
Franklin India Ultra Short Bond Fund-SIP-DDR	467,348	941,561	4,716,106	9,488,863
Franklin India Liquid Fund- Super Institutional Plan-DDR (FV Rs 1000)	196,428	-	196,566,962	-
Aditya Birla Sunlife Fixed Term Plan-Series QH (1101 days)- Regular Growth	8,163,420	-	86,852,258	-
UTI Fixed Term Income Fund Series XXIX - IX (1109 Days) - Growth Plan	9,699,704	-	101,627,676	-
UTI Short Term Income Fund-Institutional Plan - Growth	13,007,280	13,007,280	292,796,481	274,743,677
UTI Treasury Advantage Fund -Instt.-Plan-Daily Dividend Reinvestment (FV Rs 1000)	8,308	95,909	8,326,834	96,131,737
			690,886,317	461,132,898
			690,886,317	461,132,898
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			690,886,317	461,132,898
Aggregate amount of adjustments to impairment in value of investments			-	-

6. OTHER FINANCIAL ASSETS

Amount in ₹

Particulars	Non-current	
	As at 31.03.2019	As at 31.03.2018
Security deposits	11,448,055	11,418,055
	11,448,055	11,418,055

Amount in Rs

Particulars	Non-current	
	As at 31.03.2019	As at 31.03.2018
Interest accrued but not due	11,990,869	12,056,423
Interest accrued and due	7,400,343	4,792,808
Accrued Revenue	180,000	-
	19,571,212	16,849,231

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

7. INCOME TAX ASSETS (Net)

Amount in ₹

Particulars	Non - current	
	As at 31.03.2019	As at 31.03.2018
Income Tax Asset (Net)		
Opening balance	94,723,649	85,501,434
Less: Tax payable for the year	(77,918,086)	(68,912,626)
Add: Taxes paid	75,422,303	78,134,841
Add/(Less): Refund/adjustment for earlier years	(6,341,947)	-
Closing balance	85,885,919	94,723,649

8. OTHER ASSETS

Amount in ₹

Particulars	Current	
	As at 31.03.2019	As at 31.03.2018
Advance to suppliers	9,538,717	14,118,837
Prepaid expenses	13,883,470	19,926,298
Balance with statutory authorities	5,837,705	5,376,294
	29,259,892	39,421,429

9. INVENTORIES

Amount in ₹

Particulars	Non-current	
	As at 31.03.2019	As at 31.03.2018
(valued at cost or net realisable value whichever is lower)		
Food, Liquor & Tobacco	12,696,316	21,389,268
General Stores and Spares	961,266	2,722,856
	13,657,582	24,112,124

10. TRADE RECEIVABLES

Amount in ₹

Particulars	Current	
	As at 31.03.2019	As at 31.03.2018
Trade Receivables		
– Unsecured, considered good	68,585,259	63,707,448
– Significant increase in credit risk	-	-
– Doubtful	1,494,731	1,716,265
	70,079,990	65,423,713
Less: Provision For doubtful debts	1,494,731	98,034
	68,585,259	65,325,679
	68,585,259	65,325,679

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

11. CASH & CASH EQUIVALENTS & OTHER BANK BALANCES

Particulars	Amount in ₹	
	Current	
	As at 31.03.2019	As at 31.03.2018
Cash and Cash Equivalents		
Balance with banks		
In current accounts	17,946,451	177,713,240
Cash on hand	2,196,067	957,107
	20,142,518	178,670,347
Other Bank Balances		
Fixed Deposits with original maturity of more than 3 months & having remaining maturity of less than 12 months from the Balance Sheet date	41,500,000	20,000,000
Unpaid dividend accounts (Refer Note No 46)	4,326,671	4,505,855
	45,826,671	24,505,855

12. LOANS

Particulars	Amount in ₹	
	Current	
	As at 31.03.2019	As at 31.03.2018
Loans/advance to subsidiary companies		
GJS Hotels Limited (Refer Note No 45)	3,230,344,250	3,229,844,800
Regency Convention Centre and Hotels Limited	20,341,344	14,400,474
Robust Hotels Pvt. Ltd.	362,500,000	222,500,000
Other loans and advances		
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd. (Refer Note 42)	33,448,275	33,448,275
Employee advance	-	136,068
	3,646,633,869	3,500,329,617

12.1 No loans and advances are due from directors or other officers of the company either severally or jointly with any other person.

13. SHARE CAPITAL

Particulars	Amount in ₹	
	As at 31.03.2019	As at 31.03.2018
Authorised Shares		
90,000,000 Equity shares of Rs 10/- each	900,000,000	900,000,000
1,000,000 Preference shares of Rs 10/- each	10,000,000	10,000,000
Issued, subscribed & paid up		
11,527,797 (previous year: 11,527,797) Equity Shares of Rs 10/- each	115,277,970	115,277,970
Total	115,277,970	115,277,970
Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	As at 31.03.2019	As at 31.03.2018
At the beginning of the year	11,527,797	11,527,797
Issued during the year	-	-
Cancelled during the year	-	-
At the end of the year	11,527,797	11,527,797

Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

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

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

13. SHARE CAPITAL (Contd.)

Amount in ₹

Details of shareholders Holding more than 5% shares in the Company

Equity shares	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	% of Holding	% of Holding	No. of Shares	No. of Shares
Saraf Industries Limited	31.49%	31.49%	3,630,630	3,630,630
Radhe Shyam Saraf	28.49%	28.49%	3,284,680	3,284,680
Axis Bank Limited	5.42%	5.42%	624,487	624,487
Ratna Saraf	5.36%	5.36%	617,347	617,347

14. OTHER EQUITY

Amount in ₹

Particulars	As at 31.03.2019	As at 31.03.2018
Capital reserve	417,998,203	417,998,203
Capital redemption reserve	2,000,000	2,000,000
General reserve	5,645,532,555	5,630,532,555
FVTOCI reserve	92,422,737	45,380,647
Retained earnings	2,943,872,279	2,815,719,029
	9,101,825,774	8,911,630,434

Refer statement of changes in Equity for movement details

15. BORROWINGS

Amount in ₹

Particulars	As at 31.03.2019	As at 31.03.2018
Secured		
Overdraft Account with IDBI Bank Limited*	10,730,380	-
	10,730,380	-

* The Company maintains an overdraft account and is secured against fixed deposits.

16. TRADE PAYABLES

Amount in ₹

Particulars	Current	As at 31.03.2018
	As at 31.03.2019	
Trade payables (Refer Note No 38 for details of dues of micro, small & medium enterprises)	54,652,793	40,236,684
	54,652,793	40,236,684
Classification as required by MSME Act		
Total Outstanding dues of Micro Enterprises and Small Enterprises*	409,811	552,518
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	54,242,982	39,684,166
Total Trade Payables	54,652,793	40,236,684

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 (MSME Act) are based on information made available to the Company. Neither was there any delay in payment nor is any interest due and remaining unpaid on the above.

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

17. OTHER FINANCIAL LIABILITIES

		Amount in ₹	
		Non-Current	
Particulars	As at 31.03.2019	As at 31.03.2018	
Security deposit	1,538,000	1,863,000	
	1,538,000	1,863,000	
		Amount in ₹	
		Current	
Particulars	As at 31.03.2019	As at 31.03.2018	
Salary payable	9,027,385	10,979,904	
Contract Payroll Payable	8,670,569	7,586,997	
Unclaimed dividends (Refer Note No 46)	4,326,671	4,505,855	
Expenses payable	53,732,050	75,306,212	
Security deposit	-	60,000	
	75,756,675	98,438,968	

18. PROVISIONS

		Amount in ₹	
		Non-Current	
Particulars	As at 31.03.2019	As at 31.03.2018	
Provision for gratuity (Refer Note No 31)	13,494,883	12,356,726	
Provision for leave benefits (Refer Note No 31)	3,091,451	3,041,864	
	16,586,334	15,398,590	
		Amount in ₹	
		Current	
Particulars	As at 31.03.2019	As at 31.03.2018	
Provision for gratuity (Refer Note No 31)	7,685,574	6,496,731	
Provision for leave benefits (Refer Note No 31)	1,033,028	910,751	
	8,718,602	7,407,482	

19. DEFERRED TAX LIABILITIES

		Amount in ₹	
		Current	
Particulars	As at 31.03.2019	As at 31.03.2018	
Deferred tax liabilities			
On fiscal allowances of fixed assets	146,848,397	147,984,304	
On Fair value gain on current investments	12,335,631	4,341,475	
	159,184,028	152,325,779	
Deferred tax assets			
On Employees' separation and retirement etc.	9,885,776	9,097,834	
On Provision for doubtful debts / advances	435,266	28,547	
On Provision for VAT	23,791,408	10,767,351	
On Provision for Service Tax and Other Tax	3,422,981	-	
MAT Credit Entitlement	50,529,813	59,562,155	
	88,065,244	79,455,887	
	71,118,784	72,869,892	

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

19.1 In view of profitability projections, the company is confident that there would be sufficient taxable income in future periods to utilize MAT credit entitlements.

Amount in ₹

Movement in deferred tax liabilities

Particulars	On fiscal allowances of fixed assets	On Fair value gain on current investments	Total
As at 31.03.2017	174,283,094	-	174,283,094
Charged/(credited):			
- to profit and loss	(26,298,790)	4,341,475	(21,957,315)
- to Other comprehensive income	-	-	-
As at 31.03.2018	147,984,304	4,341,475	152,325,779
Charged/(credited):			
- to profit and loss	(1,135,907)	7,994,156	6,858,249
- to Other comprehensive income	-	-	-
As at 31.03.2019	146,848,397	12,335,631	159,184,028

Movement in Deferred tax assets

Particulars	On Employees' separation and retirement etc.	On Provision for doubtful debts / advances	On Provision for VAT	On Provision for Service Tax and Other Tax	MAT Credit Entitlement	Total
As at 31.03.2017	10,668,204	560,037	-	-	60,887,901	72,116,142
Charged/(credited):						
- to profit and loss	(1,570,370)	(531,490)	10,767,351	-	(1,325,746)	7,339,745
- to Other comprehensive income	-	-	-	-	-	-
As at 31.03.2018	9,097,834	28,547	10,767,351	-	59,562,155	79,455,887
Charged/(credited):						
- to profit and loss	787,942	406,719	13,024,057	3,422,981	(9,032,342)	8,609,357
- to Other comprehensive income	-	-	-	-	-	-
As at 31.03.2019	9,885,776	435,266	23,791,408	3,422,981	50,529,813	88,065,244

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

20. OTHER CURRENT LIABILITIES

	Amount in ₹	
	Current	
Particulars	As at 31.03.2019	As at 31.03.2018
Advance from customers	17,501,948	25,988,430
Statutory dues	110,490,521	60,462,286
Others	3,000,000	-
	130,992,469	86,450,716

21. REVENUE FROM OPERATIONS

	Amount in ₹	
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Sale of products	515,005,210	492,811,654
Sale of services	519,419,461	528,584,166
	1,034,424,671	1,021,395,820
Set out below is the disaggregation of the Company's revenue from operations:		
Sale of products		
Beverages, wines and liquor	94,192,915	80,209,653
Food and smokes	420,812,295	412,602,001
	515,005,210	492,811,654
Sale of services		
Rooms	432,184,826	447,052,311
Banquet Income (only rental portion)	16,709,202	13,267,027
Health & Spa	26,074,961	28,040,847
Laundry & Dry Cleaning	16,488,078	16,327,246
Service Charge	8,761,417	5,551,002
Auto Rental	7,510,265	7,808,010
Communication	458,557	1,349,322
Other operating revenue	11,232,155	9,188,401
	519,419,461	528,584,166
	1,034,424,671	1,021,395,820

The company has presented revenue based on the type of goods or services provided to the customers. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

22. OTHER INCOME

	Amount in ₹	
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest income from non-current investments	12,345,000	12,345,000
Interest income - others	16,448,472	9,357,877
Interest on Income Tax Refund	5,070,336	-
Dividend on current investment	12,849,034	17,290,167
Net gain on foreign currency fluctuation	-	331,673
Fair value changes on investment measured at fair value through profit and loss account	27,452,458	14,908,913
Provisions/ Liabilities written back	28,407,804	1,594,862
Miscellaneous income	125,001	232,240
	102,698,105	56,060,732

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

23. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

Amount in ₹

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Opening Stock	21,389,268	23,882,128
Add : Purchases	117,964,314	136,903,361
	139,353,582	160,785,489
Less : Closing Stock	12,696,316	21,389,268
Total Consumption of Provisions, Beverages, Smokes & Others	126,657,266	139,396,221

24. EMPLOYEE BENEFIT EXPENSES

Amount in ₹

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Salaries, wages & bonus	169,653,348	163,490,304
Contribution to provident & other funds	11,879,768	11,882,031
Staff welfare expenses	26,680,968	23,208,743
	208,214,084	198,581,079

25. OTHER EXPENSES

Amount in ₹

Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Contract labour and service	52,383,171	46,248,675
Room, catering & other supplies	44,611,411	50,169,027
Linen & operating equipments consumption	10,698,887	5,138,619
Fuel, power & light	102,801,469	104,129,905
Repairs, maintenance & refurbishing	54,403,218	70,089,630
Satellite & television charges	1,707,084	394,153
Rent	18,328,776	19,004,549
Rates & taxes	63,088,050	52,297,131
Insurance	2,730,446	2,347,208
Directors' sitting fees	1,240,000	1,130,000
Legal & professional expenses	11,942,101	11,348,669
Payment to auditors	-	-
- As Auditor	700,000	700,000
- For Tax Audit	150,000	150,000
- For Certification	20,000	35,000
- For Other Services	30,250	35,000
Printing & stationery	2,296,704	2,424,311
Guest transportation	19,340,034	22,543,657
Travelling & conveyance	14,228,765	10,461,632
Communication expenses	3,866,260	4,521,455
Technical services	37,880,265	36,052,653
Advertisement & publicity	26,044,969	21,500,074
Commission & brokerage	31,734,920	28,701,481
CSR expenditure	2,500,000	2,658,800
Charity & donation	-	61,000
Bank charges and commission	314,043	346,243
Provision for bad & doubtful debts	1,396,697	-
Net loss on foreign exchange	563,149	-
PPE written off	960,428	1,823,989
Loss on sale of PPE	36,349	346,820
Miscellaneous expenses	2,645,715	3,054,366
	508,643,161	497,714,047

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26. TAX EXPENSE

Particulars	Year Ended 31st March 2019	Amount in ₹ Year Ended 31st March 2018
Current Tax	77,918,086	68,912,626
Deferred Tax	(10,783,450)	(30,622,805)
Tax for earlier years/MAT credit lapsed	629,555	1,325,746
Income Tax Expense	67,764,191	39,615,567
Profit before income tax	244,369,523	187,405,128
Enacted Tax rates in India	29.12%	34.61%
Computed expected tax expenses	71,160,405	64,857,167
Effect of non deductible expenses	9,745,975	(13,101,700)
Effect of exempt non operating income	(5,777,588)	(8,295,414)
Effect of other items not subject of tax	(7,994,156)	(5,159,677)
Others	629,555	1,315,191
Total	67,764,191	39,615,567

27. EARNINGS PER SHARE (BASIC & DILUTED)

Particulars	Year Ended 31st March 2019	Amount in ₹ Year Ended 31st March 2018
(i) Profit available for Equity Shareholders	177,806,072	147,429,416
(ii) Weighted average number of Equity Shares @ Rs 10 each	11,527,797	11,527,797
(iii) Earnings/(Loss) per share (Rs)	15.42	12.79

28. FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2019 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in ₹ Total Fair Value
Assets:					
Investments					
In Equity Shares	-	-	184,602,178	184,602,178	184,602,178
In Preference shares	615,374,060	-	-	615,374,060	615,374,060
In Tax Free Bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	690,886,317	-	690,886,317	690,886,317
Loans	3,646,633,869	-	-	3,646,633,869	3,646,633,869
Cash & Cash equivalents	45,826,671	-	-	45,826,671	45,826,671
Trade Receivables	68,585,259	-	-	68,585,259	68,585,259
Other Financial Assets	31,019,267	-	-	31,019,267	31,019,267
Total	4,557,439,126	690,886,317	184,602,178	5,432,927,621	5,432,927,621
Liabilities:					
Borrowings	10,730,380	-	-	10,730,380	10,730,380
Trade Payables	54,652,793	-	-	54,652,793	54,652,793
Other Financial Liabilities	77,294,675	-	-	77,294,675	77,294,675
Total	142,677,848	-	-	142,677,848	142,677,848

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

28. FINANCIAL INSTRUMENTS (Contd.)

The carrying value and fair value of financial instruments by categories as on March 31, 2018 are as follows:

					Amount in ₹
Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets:					
Investments					
In Equity Shares	-	-	137,560,088	137,560,088	137,560,088
In Preference shares	615,374,060	-	-	615,374,060	615,374,060
In Tax Free Bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	461,132,898	-	461,132,898	461,132,898
Loans	3,500,329,617	-	-	3,500,329,617	3,500,329,617
Cash & Cash equivalents	24,505,855	-	-	24,505,855	24,505,855
Trade Receivables	65,325,679	-	-	65,325,679	65,325,679
Other Financial Assets	28,267,286	-	-	28,267,286	28,267,286
Total	4,383,802,497	461,132,898	137,560,088	4,982,495,483	4,982,495,483
Liabilities:					
Borrowings	-	-	-	-	-
Trade Payables	40,236,684	-	-	40,236,684	40,236,684
Other Financial Liabilities	100,301,968	-	-	100,301,968	100,301,968
Total	140,538,652	-	-	140,538,652	140,538,652

Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : includes financial instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2019:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
In Equity Shares	184,602,178	184,602,178	-	-
In Preference shares	615,374,060	-	-	615,374,060
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	690,886,317	690,886,317	-	-
Loans	3,646,633,869	-	-	3,646,633,869
Cash & Cash equivalents	45,826,671	-	-	45,826,671
Trade Receivables	68,585,259	-	-	68,585,259
Other Financial Assets	31,019,267	-	-	31,019,267
Total	5,432,927,621	875,488,495	150,000,000	4,407,439,126
Liabilities:				
Borrowings	10,730,380	-	-	10,730,380
Trade payables	54,652,793	-	-	54,652,793
Other financial liabilities	77,294,675	-	-	77,294,675
Total	142,677,848	-	-	142,677,848

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

28. FINANCIAL INSTRUMENTS (Contd.)

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2018:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
In Equity Shares	137,560,088	137,560,088	-	-
In Preference shares	615,374,060	-	-	615,374,060
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	461,132,898	461,132,898	-	-
Loans	3,500,329,617	-	-	3,500,329,617
Cash & cash equivalents	24,505,855	-	-	24,505,855
Trade receivables	65,325,679	-	-	65,325,679
Other financial assets	28,267,286	-	-	28,267,286
Total	4,982,495,483	598,692,986	150,000,000	4,233,802,497
Liabilities:				
Borrowings	-	-	-	-
Trade payables	40,236,684	-	-	40,236,684
Other financial liabilities	100,301,968	-	-	100,301,968
Total	140,538,652	-	-	140,538,652

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are close approximation of fair value.

The Company's investment in the equity shares of its subsidiaries is recognised at cost.

29. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

Market risk

The primary market risk to the Company is foreign exchange risk. The Company is exposed to foreign exchange risk through its purchases from overseas suppliers and payment for services availed in various foreign currencies. The Company pays off its foreign exchange exposure within a short period of time, thereby mitigates the risk of material changes in exchange rate on foreign currency exposure.

The following table analyses foreign currency risk from financial instruments as of 31st March 2019 and 31st March 2018.

Particulars	31st March 2019	31st March 2018
	Amount in ₹	Amount in ₹
Trade payables (USD converted to INR)	15,216,663	3,049,142

For the year ended 31st March 2019 and 31st March 2018, the effect of every percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S.Dollar, is as under:

	Change in USD rate	Effect on profit before tax	
		31st March 2019	31st March 2018
Appreciation in Exchange Rate	1%	(152,167)	(30,491)
Depreciation in Exchange Rate	-1%	152,167	30,491

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. The Company has no outstanding bank borrowings as on 31st March 2019. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019**29. FINANCIAL RISK MANAGEMENT (Contd.)**

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2019:

Amount in ₹

Particulars	0-3 Months	3 Months- 1 yr	1-5 years	5-20 years	Total
Borrowings	10,730,380	-	-	-	10,730,380
Trade payables	54,652,793	-	-	-	54,652,793
Other financial liabilities	22,024,626	55,270,050	-	-	77,294,675

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2018:

Amount in ₹

Particulars	0-3 Months	3 Months- 1 yr	1-5 years	5-20 years	Total
Borrowings	-	-	-	-	-
Trade payables	40,236,684	-	-	-	40,236,684
Other Financial Liabilities	30,949,403	69,352,565	-	-	100,301,968

Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows :

Amount in ₹

Particulars	31st March 2019	31st March 2018
Investments	4,545,304,279	4,268,508,770
Trade Receivables	68,585,259	65,325,679
Loans	3,646,633,869	3,500,329,617
Other financial assets	31,019,267	28,267,286

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with nationalised banks. Investments primarily include investments in liquid mutual fund units, quoted bonds and investment in subsidiaries. Loans are provided to subsidiary and are in the nature of short term as the same is repayable on demand.

30. CAPITAL MANAGEMENT

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximisation the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows :

Amount in ₹

Particulars	31st March 2019	31st March 2018
Net debt	10,730,380	-
Total Net Debt and Equity	9,227,834,124	9,026,908,404
Gearing Ratio	0.12%	0.00%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019**31. Gratuity and other post-employment benefit plans**

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

a) Defined contribution plans

i. Provident fund

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:-

Particulars	31st March 2019	31st March 2018
Employer's Contribution to Provident Fund	64,89,243	6,351,524
Employer's Contribution to Pension Scheme	33,48,409	3,412,455

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

In accordance with Indian Accounting Standard 19, Employee Benefits, 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 should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 7.66 % p.a. compound, has been used.

Salary Escalation Rate

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

i. Change in Benefit Obligations:**Particulars****Gratuity (Unfunded)**

	31st March 2019	31st March 2018
Present value of obligations as at the beginning of the year	1,88,53,457	1,75,70,273
Current service cost	27,18,340	16,68,369
Interest cost	14,70,570	12,91,415
Benefit Paid	(17,34,084)	(27,17,241)
Actuarial (gain)/ loss on obligation	(1,27,826)	10,40,641
Present value of obligations as at the year end	2,11,80,457	1,88,53,457
Current liability	76,85,574	64,96,731
Non-Current liability	1,34,94,883	1,23,56,726
Total	2,11,80,457	1,88,53,457

ii. Expenses recognized in the Statement of Profit and Loss:**Particulars****Gratuity (Unfunded)**

	31st March 2019	31st March 2018
Current Service Cost	27,18,340	16,68,369
Interest Cost	14,70,570	12,91,415
Actuarial (Gain) / loss recognized during the year	-	-
Expenses recognised in Statement of Profit and Loss	41,88,910	29,59,784

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

31. Gratuity and other post-employment benefit plans (Contd.)

iii. Amount recognized in Other Comprehensive Income (OCI):

Particulars

Gratuity (Unfunded)

	31st March 2019	31 st March 2018
Actuarial Gain / (loss) recognized during the year	1,27,826	(10,40,641)

iv. Principal Actuarial Assumptions :

Particulars

Refer Note Below

**Year ended
31.03.2019**

Year ended
31.03.2018

Discount rate (p.a.)	1	7.66%	7.80%
Salary Escalation Rate (p.a.)	2	6.00%	6.00%

v. A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Particulars

Gratuity Plan

Sensitivity Level

Impact on defined Benefit obligation

31-March -19		31-March -19	
Discount Rate		Future Salary	
0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
(3,31,337)	3,46,052	3,49,916	(3,37,978)

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Particulars

Leave

Sensitivity Level

Impact on defined Benefit obligation

31-March -19		31-March -19	
Discount Rate		Future Salary	
0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
(98,390)	1,03,341	1,04,480	(1,00,357)

Maturity Profile of Defined Benefit Obligation

Particulars

Gratuity

31st March 2019

a) 0 to 1 Year	76,85,574
b) 1 to 2 Year	16,30,460
c) 2 to 3 Year	15,32,658
d) 3 to 4 Year	13,18,506
e) 4 to 5 Year	14,59,036
f) 5 to 6 Year	35,11,639
h) 6 Year Onwards	40,42,584

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 rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- The gratuity plan and earned leave is unfunded.

Demographic assumptions:

- Retirement age : 58 years
- Mortality rate : Published rates under Indian Assured Lives Mortality (IALM) Ultimate table

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019**32. C.I.F Value of Imports :**

Particulars	31st March 2019	31st March 2018
Stores & Spares	5,68,692	1,009,588
Capital Goods	14,04,073	3,952,248
Total	19,72,765	49,61,836

33. Expenditure in Foreign Currency (on payment basis)

Particulars	31st March 2019	31st March 2018
Commission & Brokerage (Rs 1,91,71,138 on Accrual basis for the FY 18-19)	1,65,43,888	1,61,55,840
Technical Services (Rs 54,79,058 on Accrual basis for the FY 18-19)	54,57,392	1,25,94,517
Advertisement & Publicity (Rs 1,26,16,367 on Accrual basis for the FY 18-19)	1,26,16,367	1,22,06,041
Recruitment & Training (Rs 10,14,988 on Accrual basis for the FY 18-19)	9,89,155	5,35,028
Others (Rs 1,50,54,687 on Accrual basis for the FY 18-19)	1,27,86,181	1,20,65,462
Total (Rs 5,33,36,238 on Accrual Basis for the FY 18-19)	4,83,92,983	5,35,56,888

34. Earnings in Foreign Currency (on receipt basis) ₹ 18,25,25,199 (Previous Year: ₹ 18,79,51,370)

35. The Company has paid dividend in respect of shares held by Non-Residents. The total amount remitted in this respect is given herein below:-

Particulars	31st March 2019	31st March 2018
Number of Non Resident Shareholders	472	513
Number of Equity Shares held by Non Resident Shareholders	77,68,082	77,42,183
Amount of Dividend Paid	1,94,20,205	1,54,84,366
Year to which Dividend Relates	2017-2018	2016-2017

36. Leases:

The Company has entered into Operating lease agreements for letting out space. The lease agreements are made for specific period as per agreement. Lease payments received recognized in the Statement of Profit & Loss for the year ended amounted to ₹ 57,33,182/-.

The future receipts for operating lease are as follows:

Particulars	31st March 2019	31st March 2018
Not Later than 1 year	22,81,230	22,76,743
Later than one year and not later than five years	33,20,080	56,56,698
Later than five years	-	-

The Company has entered into leave & license agreement for premises. The lease agreements are made for specific period as per agreement. Lease payments paid are recognized in the Statement of Profit & Loss for the year ended amounted to ₹ 180,00,000/-.

The future Payments for operating lease are as follows:

Particulars	31st March 2019	31st March 2018
Not Later than 1 year	30,00,000	30,00,000
Later than one year and not later than five years	-	-
Later than five years	-	-

37. As the Company is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.

The Joint Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

38. The disclosures relating to Micro, Small & Medium Enterprises Development Act, 2006 are as under :-

- The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the Auditors.
- The disclosures relating to Micro and Small Enterprises are as under :-

Particulars	31 st March 2019	31 st March 2018
The principal amount remaining unpaid to supplier as at the end of the accounting year.	4,09,811	5,52,518
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year.	NIL	NIL
The amount of interest paid in terms of Section 16 alongwith the amount of payment made to the Supplier beyond the appointed day during the year.	NIL	NIL
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 interest specified under this Act.	NIL	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	NIL	NIL

39. Contingent Liabilities:

Contingent Liabilities	31 st March 2019	31 st March 2018
Corporate Guarantee to IDBI Bank for Robust Hotels Pvt. Ltd.	109,500,000	109,500,000
Corporate Guarantee to HDFC Limited for Robust Hotels Pvt. Ltd.	1,500,000,000	1,500,000,000
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	1,95,00,000	8,000,000
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	4,379,735	4,379,735
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2003-04 to F.Y. 2006-07	-	5,909,585
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	26,753,749	26,753,749
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2008-09 to F.Y. 2012-13	6,836,585	6,836,585
Service Tax under the Finance Act, 1994 pertaining to period Oct-2007 to Jan-2013	348,656	348,656
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2013-17	7,644,193	7,644,193
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2012-13	5,683,418	5,683,418
Value Added Tax under West Bengal VAT Act, 2003 pertaining to F.Y. 2012-13	396,345	396,345
Income Tax under the Income Tax Act, 1961 for the F.Y. 2011-12 (CIT- A has passed an order in favour of the company. The department has preferred an appeal against the order of CIT-A in ITAT) *	1,68,41,387	16,906,870
Income Tax under the Income Tax Act, 1961 for the F.Y. 2012-13 ((CIT- A has passed an order in favour of the company. The department has preferred an appeal against the order of CIT-A in ITAT)**	1,17,93,677	12,273,270
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 ((CIT- A has passed an order in favour of the company. The department has preferred an appeal against the order of CIT-A in ITAT)***	1,21,41,837	1,23,04,560
Income Tax under the Income Tax Act, 1961 for the F.Y. 2014-15 (the Company has preferred an appeal against the demand)****	69,76,470	69,76,470
VAT Under WBVAT Act 2003 for the F.Y 2014-15 (the Company has preferred an appeal against the demand)	1,81,216	1,81,216
The West Bengal Value Added Tax Rules, 2005 for the F.Y 15-16	13,09,677	-
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2014-15 to F.Y. 2016-17	3,86,32,924	-
Foreign Trade Development Regulation Act. 1992.	3,96,36,944	-

As there are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019, the company will make provision for the same, on receiving further clarity on the subject.

We have received the refund for A.Y 16-17 amounting to ₹ 2,09,78,584 on June 7, 2018 after adjusting the demand of earlier years ₹ 14,64,496 for the A.Y 2012-2013, ₹ 68,86,704 for the A.Y 2013-2014, ₹ 1,22,87,325 for the A.Y 2014-2015 & ₹ 57,06,038 for the A.Y 2015-2016.

* Out of the above, the company has paid the following amounts under protest and is included in Long term Loans & Advances :

* ₹ 14,750,000/- for the F.Y 2011-2012 (Paid on 24.04.2015, 18.11.2015, 04.12.2015, 16.12.2015, 22.02.2016 of ₹ 10,00,000/-, 32,50,000/-, 21,25,000/-, 63,75,000/-, 20,00,000/- respectively)

** ₹ 1,841,000/- for the F.Y 2012-13 (Paid on 03.05.2016)

*** ₹ 1,850,000/- for the F.Y 2013-14 (Paid on 18.01.2017)

**** ₹ 13,96,000/- for the F.Y 2014-15 (Paid on 09.02.2018)

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

40. Estimated amount of Capital Contracts pending to be executed (Net of Advances – ₹ 13,81,699 (Previous Year – ₹ 11,85,900/-))

41. Payments to Auditors

Particulars	31st March 2019	31st March 2018
Statutory Audit Fees	700,000	700,000
Tax Audit Fees	150,000	150,000
Fees for other services	20,000	35,000
Reimbursement of Expenses	30,250	35,000

42. As on 31st March 2019, the Company holds 97,009 Equity shares of ₹ 10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 62.44% of the paid up capital of RCC. Apart from the above, the Company had also made an advance of ₹ 33,448,275 for acquiring further shares of RCC from their existing shareholders and paid advances to RCC amounting to ₹ 2,03,41,344 up to the Balance Sheet date which has been disclosed as current loans and advances.

Principal assets of Regency Convention Centre and Hotels Limited (RCC) comprise of an interest in a piece of land near CSI Airport at Mumbai. The RCC has filed Suit No. 6846 of 1999 in the High Court of Judicature at Bombay against the Airports Authority of India (AAI) & Ors. for specific performance of the agreement to lease 31,000 sq.mtrs. of land at village-Sahar, Andheri (East), Mumbai in its favour for construction of a five star hotel cum convention centre. The recording of evidence of the RCC's witness and the Defendants Nos. 2 to 16 have already been concluded and closed. The suit is pending of recoding of evidence of Defendant No. 1 i.e., AAI and for final arguments. Parties have asked the Court to expedite the matter.

"In view of slow progress of Suit No. 6846 of 1999 in the High Court of Judicature at Bombay in last twenty (20) years & pursuant to the understanding with the other shareholders of RCC and the Company's continuous efforts to amicably settle the disputes after examining all the available options, your Company desires to make RCC a wholly-owned subsidiary by buying out the shareholding of the other shareholders subsequent to 31st March, 2019."

The Company has also entered into an agreement with Mumbai International Airport Limited (MIAL), Mumbai to subsequently sale its 100% investment in RCC subject to fulfillment of certain conditions and withdraw the Suit No. 6846 of 1999 in the High Court of Judicature at Bombay to amicably settle the dispute. The Company expects to complete the sale of its subsidiary before 30th June, 2019."

43. In the opinion of the Board, all the assets of the Company have a value on realization in ordinary course of business at least equal to the amount at which they are stated. Therefore, the Company has not recognised any loss on impairment in respect of any of the assets of the Company. In respect of subsidiaries, such decision is based on the audited accounts of the subsidiaries.

44. In accordance with the Indian Accounting Standard on "Related Party Disclosures" (IndAS - 24), the disclosures in respect of Related Parties and transactions with them are as follows: -

Related Party Disclosures**(i) List of Related Parties****(a) Subsidiaries:**

GJS Hotels Limited, wholly owned subsidiary
Regency Convention Centre & Hotels Limited
Robust Hotels Private Limited (subsidiary of GJS Hotels Limited)

(b) Key Management Personnel:

Radhe Shyam Saraf, Chairman
Arun Kumar Saraf, Joint Managing Director
Umesh Saraf, Joint Managing Director

(c) Entities over which directors or their relatives can exercise significant influence / control:

- | | |
|--|--|
| i. Unison Hotels Private Limited | xi. Footsteps of Buddha Hotels Private Limited |
| ii. Unison Hotels South Private Limited | xii. Juniper Hotels Private Limited |
| iii. Juniper Investments Limited | xiii. Samra Importex Private Limited |
| iv. Vedic Hotels Limited | xiv. Sara International limited, Hong Kong |
| v. Nepal Travel Agency Pvt. Ltd., Nepal | xv. Sara Hospitality Limited, Hong Kong |
| vi. Yak & Yeti Hotels Limited, Nepal | xvi. Saraf Hotels Limited, Mauritius |
| vii. Chartered Hotels Private Limited | xvii. Saraf Investments Limited, Mauritius |
| viii. Chartered Hampi Hotels Private Limited | xviii. Saraf Industries Limited, Mauritius |
| ix. Blue Energy Private Limited | xix. Taragaon Regency Hotels Limited, Nepal |
| x. Unison Power Limited | xx. Salkia Estate Development Pvt Ltd |

Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

(ii) Details of Transactions with Related Parties during the year :

Amount in ₹

Transactions during the year	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Dividend Paid								
Saraf Industries Limited	-	-	-	-	9,076,575	7,261,260	9,076,575	7,261,260
Radhe Shyam Saraf	-	-	8,211,700	6,569,360	-	-	8,211,700	6,569,360
Travelling Expenses								
Unison Hotels Private Limited	-	-	-	-	-	29,635	-	29,635
Robust Hotels Private Limited	-	-	-	-	95,433	-	95,443	-
Arun Saraf	-	-	1,137,034	255,607	-	-	1,137,034	-
Umesh Saraf	-	-	1,000,708	400,711	-	-	1,000,708	400,711
Radheyshyam Saraf	-	-	-	138,623	-	-	-	138,623
Expenses Incurred (Reimbursement)								
Robust Hotels Private Limited	-	-	-	-	516,209	-	516,209	-
Unison Hotels Private Limited	-	-	-	-	-	225,942	-	225,942
Advance Given								
GJS Hotels Limited	1,805,210	2,140,000	-	-	-	-	1,805,210	2,140,000
Regency Convention Centre and Hotels Limited	5,940,870	530,000	-	-	-	-	5,940,870	530,000
Robust Hotels Pvt. Ltd.	140,000,000	222,500,000	-	-	-	-	140,000,000	222,500,000
Interest Income Earned								
Robust Hotels Pvt. Ltd.	-	-	-	-	13,814,041	8,107,877	13,814,041	8,107,877
Refund of Advance Given								
GJS Hotels Limited	1,305,760	2,500,000	-	-	-	-	1,305,760	2,500,000
Regency Convention Centre and Hotels Limited	-	100,000	-	-	-	-	-	100,000
Managerial Remuneration*								
Umesh Saraf	-	-	19,062,270	17,557,600	-	-	19,062,270	17,557,600
Arun Kr. Saraf	-	-	18,576,000	18,788,796	-	-	18,576,000	18,788,796
Sitting Fees								
Radheyshyam Saraf	-	-	50,000	50,000	-	-	50,000	50,000

Amount in ₹

Closing Balance as on 31st March 2019	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Account Receivables								
GJS Hotels Limited	3,230,344,250	3,229,844,800	-	-	-	-	3,230,344,250	3,229,844,800
Regency Convention Centre and Hotels Limited	20,341,344	14,400,474	-	-	-	-	20,341,344	14,400,474
Robust Hotels Pvt Ltd	362,500,000	222,500,000	-	-	-	-	362,500,000	222,500,000
Accrued Interest from Robust Hotels Pvt Ltd	7,400,343	4,792,808	-	-	-	-	7,400,343	4,792,808
Investments as at year end								
Equity Shares of GJS Hotels Limited	2,346,365,000	2,346,365,000	-	-	-	-	2,346,365,000	2,346,365,000
Equity Shares of Regency Convention Centre and Hotels Limited	257,901,724	257,901,724	-	-	-	-	257,901,724	257,901,724
Equity Shares of Robust Hotels Private Limited	300,175,000	300,175,000	-	-	-	-	300,175,000	300,175,000
Preference Shares of Robust Hotels Private Limited	615,374,060	615,374,060	-	-	-	-	615,374,060	615,374,060

*The Post Employment benefits of KMPs excludes gratuity which cannot be separately identified from the composite amount advised by the actuary.

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

- 45.** The Board of Directors of the Company pursuant to Sections 230 and 232 of the Companies Act, 2013, had approved the Scheme on 10th February, 2017 proposing therein merging of investment division of GJS Hotels Ltd (GJS), a wholly-owned subsidiary with AHPL. The said Scheme also provides for reorganization of the Securities of Robust Hotels Pvt Ltd (RHPL), a step-down subsidiary. On 31st October 2017, the Company has filed a Scheme of Arrangement, before NCLT, Kolkata Bench which has been sanctioned vide its order dated 6th February, 2019. However, the Company is still awaiting the sanction of the Scheme by the National Company Law Tribunal (NCLT), Chennai Bench. The Scheme would be effective once the order from the NCLT, Chennai Bench is passed.

GJS holds Equity shares, Debentures & Cumulative Redeemable Optional Convertible Preference Shares (Securities) in its subsidiary RHPL valued at cost of ₹ 204,58,48,608/-, ₹ 205,00,00,000/- and ₹ 192,73,93,945/- respectively i.e., aggregating to ₹ 602,32,42,553/- as on 31st March 2016 being the appointed date. These Securities form part of investment division of GJS. Consequent to the scheme becoming effective, all the Securities held by GJS in its subsidiary RHPL together with the loan taken by GJS from the Company in relation to the Demerged Undertaking as on the said appointed date shall stand transferred/ cancelled and accordingly RHPL will become direct wholly owned subsidiary of the Company. No accounting adjustment has been done pending approval from NCLT, Chennai Bench.

- 46.** Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), Rs. 6,49,597/- and 9096 shares have been transferred to the IEPF for the dividend declared in the financial year ended 2010-11 and the respective shares whose dividend remained unpaid or unclaimed for seven consecutive years. Further, ₹ 12,390/- of F.Y 2009-10 & ₹ 18,585/- of F.Y 2010-11 and its respective 4,130 shares in both years being restrained shares could not be transferred to the IEPF pursuant to Rule 6(3)(b) of the Rules, the due date of transfer of which was November 4, 2017 & September 29, 2018 respectively
- 47.** Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.

In terms of our report attached

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhawar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Bimal Kr Jhunjhunwala CFO & Vice President- Corporate Finance	Saumen Chatterjee Chief Legal Officer & Company Secretary
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Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED

REPORT ON THE CONSOLIDATED IndAS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **ASIAN HOTELS (EAST) LIMITED ('the Holding Company')** and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flow and the Consolidated Statement of changes in equity for the year then ended, the notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information (herein referred to as the "Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2019, their consolidated profit/loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 47 of the financial statements, in respect of Scheme of Arrangement which describes the effects of the scheme of merger of its subsidiary company's (GJS Hotels Ltd.) investment division with the company, with effect from appointed date 31st March 2016 subject to necessary approvals. Pending approval of NCLT, Chennai, no adjustment has been made in these accounts. The implications of the said scheme on these financial statements has also been detailed in the said note. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

S.No.	Key Audit Matter	Auditor's Response
1.	<u>Evaluation of uncertain tax positions</u> The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 43 to the Financial Statements <u>Investment and Loans given to subsidiary Regency Convention Centre(RCC)</u> We identified advance given for acquisition of shares of Rs. 3.34 crores in the subsidiary RCC (holding being 62.44%) as a key audit matter as the recoverability of the above may be uncertain due to dispute with Airport Authorities of India (AAI), Mumbai for the land at village- Sahar, Andheri (East) being the major asset in the subsidiary. The management has entered into an agreement for sale of the company RCC, at a price higher than the carrying amount. Refer Note 38 to the financial statement	<u>Principal Audit Procedures</u> We have obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to examine the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties. We have reviewed the agreement entered into by the company and have been reassured by the management of its intent and financial capability. Further, we have examined the steps taken by the management subsequent to the balance sheet to execute the same.

CONSOLIDATED FINANCIAL STATEMENTS

Other Information

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

That respective Board of Directors of the companies included in the are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY

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

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

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CONSOLIDATED FINANCIAL STATEMENTS

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

We did not audit the financial statements/financial information of three subsidiaries, whose financial statements/financial information reflect total assets of Rs 1,069.51 Crores and net assets of Rs 432.34 crores as at 31st March 2019 total revenues of Rs 109.17 crores and net cash outflow amounting to Rs 0.23 crores for the year ended on that date, as considered in these consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS Financial Statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries and our report on the consolidated financial results, to the extent they have been derived from such financial statements is based solely on reports of such other auditors.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries as noted in the "other matter" paragraph, we report, to the extent applicable, that:
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion proper books of account as required by law relating to the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from examination of those books and reports of other Auditors;
 - c. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of the preparation of the consolidated Ind AS financial statements;
 - d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2019 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its Subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on 31st March 2019 from being appointed as a director of that company in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A', and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements as also other financial information of the subsidiaries as noted in the "Other matter" paragraph:
 - i. The Consolidated Ind AS Financial Statements has disclosed the impact of pending litigation on its Consolidated Ind AS financial position in its financial statement. Refer Note 44 to the Consolidated Ind AS financial statements;
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for Rs 12,390/- of F.Y. 2009-10 and Rs 18,585/- of F.Y. 2010-11 being restrained shares could not be transferred due to pending legal cases. Refer Note 48 to the Financial Statements.

Place: Kolkata
Date : 10th May, 2019

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E
(Anurag Singhi)
Partner
Membership No. 066274

CONSOLIDATED FINANCIAL STATEMENTS

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **ASIAN HOTELS (EAST) LIMITED** (the Holding Company) and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as on 31st March 2019 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of such companies incorporated in India.

Place: Kolkata
Date : 10th May, 2019

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Anurag Singhi)
Partner
Membership No. 066274

Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET as at 31st March 2019

		Amount in ₹	
Particulars	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
(1) Non - Current Assets			
(a) Property, plant and equipment	3	6,563,961,214	6,822,408,647
(b) Capital work in progress	4	18,799,595	16,122,719
(c) Goodwill on consolidation	5	1,256,775,740	1,256,775,740
(d) Other Intangible assets	5	7,375,868	7,151,513
(e) Financial assets			
(i) Investments	6	370,124,378	318,337,968
(ii) Loans	7	-	84,770
(iii) Other financial assets	8	39,991,517	36,783,118
(f) Income tax assets (net)	9	134,751,125	130,136,514
(g) Other non-current assets	10	151,530,424	152,151,814
		8,543,309,861	8,739,952,803
(2) Current Assets			
(a) Inventories	11	21,997,698	43,356,548
(b) Financial assets			
(i) Investments	6	690,886,317	461,132,898
(ii) Trade receivables	12	178,967,038	152,492,434
(iii) Cash and cash equivalents	13	25,782,486	186,244,142
(iv) Other Bank Balances	13	45,826,671	24,890,855
(v) Loans	7	33,497,675	33,642,743
(vi) Other financial assets	8	13,119,225	12,765,282
(c) Income tax assets (net)	9	11,361,599	11,332,439
(d) Other current assets	10	65,407,064	71,838,453
		1,086,845,773	997,695,794
Total Assets		9,630,155,634	9,737,648,597
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	14	115,277,970	115,277,970
(b) Other equity	15	7,618,783,327	7,570,894,997
Equity attributable to owners of the Company		7,734,061,297	7,686,172,967
(c) Non-controlling interest		172,213	252,693
		7,734,233,510	7,686,425,660
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1,111,500,000	1,229,550,000
(ii) Other financial liabilities	18	1,538,000	1,863,000
(b) Provisions	19	24,703,396	23,377,758
(c) Deferred tax liabilities (net)	20	70,767,502	72,518,611
		1,208,508,898	1,327,309,369
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	23,604,996	50,493,490
(ii) Trade payables	17		
– Total outstanding dues of Micro , Small and Medium Enterprise		409,811	552,518
– Total outstanding dues of creditors other than Micro, Small and Medium Enterprise		124,722,496	114,866,979
(iii) Other financial liabilities	18	354,737,313	400,195,046
(b) Provisions	19	8,776,710	7,838,889
(c) Other current liabilities	21	175,161,900	149,966,646
		687,413,226	723,913,568
Total Equity & Liabilities		9,630,155,634	9,737,648,597

The accompanying notes form an integral part of the consolidated financial statements.

In terms of our report attached

For and on behalf of the Board of Directors

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Arun K Saraf (DIN: 00339772) Joint Managing Director
Umesh Saraf (DIN: 00017985) Joint Managing Director
A. C. Chakrabortti (DIN: 00015622) Director
Rama Shankar Jhavar (DIN: 00023792) Director
Padam Kumar Khaitan (DIN: 00019700) Director
Rita Bhimani (DIN: 07106069) Director

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

Bimal Kr Jhunjunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2019

			Amount in ₹	
Particulars		Note	Year ended 31.03.2019	Year ended 31.03.2018
I	Revenue from operations	22	2,023,523,295	1,896,229,620
II	Other income	23	105,933,497	57,412,210
III	Total income		2,129,456,792	1,953,641,830
IV	Expenses			
	Consumption of provisions, beverages, smokes & others	24	235,442,556	240,986,297
	Employee benefits expenses	25	382,075,523	352,000,860
	Finance cost	26	144,617,674	162,275,923
	Depreciation and amortization expenses	3	279,504,987	298,263,153
	Other expenses	27	985,924,699	916,840,478
	Total expenses		2,027,565,439	1,970,366,711
V	Profit / (loss) before exceptional items and tax		101,891,353	(16,724,881)
VI	Exceptional items		-	-
VII	Profit / (loss) before tax		101,891,353	(16,724,881)
VIII	Tax expense			
	(1) Current tax		77,918,086	68,912,626
	(2) Deferred tax		(10,820,673)	(30,262,660)
	(3) MAT		(1,163,517)	-
	(4) Tax for earlier years		629,555	1,999,620
IX	Profit / (loss) for the year		35,327,902	(57,374,467)
X	Other comprehensive income			
A	(i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit liability		218,506	(1,903,441)
	Equity instruments through other comprehensive income		47,042,090	22,573,846
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(37,223)	360,145
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			47,223,373	21,030,550
XI	Total comprehensive income for the period		82,551,275	(36,343,917)
XII	Profit / (loss) for the period attributable to:			
	Owners of the Company		35,408,382	(57,310,037)
	Non-controlling interest		(80,480)	(64,430)
			35,327,902	(57,374,467)
XIII	Other comprehensive income for the period attributable to:			
	Owners of the Company		47,223,373	21,030,550
	Non-controlling interest		-	-
			47,223,373	21,030,550
XIV	Total comprehensive income for the period attributable to:			
	Owners of the Company		82,631,755	(36,279,487)
	Non-controlling interest		(80,480)	(64,430)
			82,551,275	(36,343,917)
XV	Earnings per equity share			
	(1) Basic	28	3.07	-4.97
	(2) Diluted	28	3.07	-4.97

The accompanying notes form an integral part of the consolidated financial statements.

In terms of our report attached

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhavar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Place: Kolkata
Date: 10th May 2019

Bimal Kr Jhunjunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2019

Particulars	Equity Share Capital	Reserves and Surplus				Other Comprehensive Income	Total equity attributable to owners of the Company	Attributable to Non Controlling Interest	Total Equity
		Retained earnings	General Reserve	Securities premium	Capital Redemption Reserve	Capital reserve			
As at 01.4.2017	115,277,970	1,576,586,096	5,615,532,555	-	2,000,000	417,998,203	7,750,201,625	317,123	7,750,518,748
Change in equity for the year ended March 31, 2018	-	-	-	-	-	-	(57,374,467)	-	(57,374,467)
Profit/(Loss) for the period	-	(57,374,467)	-	-	-	-	(23,055,594)	-	(23,055,594)
Dividend	-	(23,055,594)	-	-	-	-	(4,693,577)	-	(4,693,577)
Corporate dividend tax	-	(4,693,577)	-	-	-	-	-	-	-
Remeasurement of defined benefit liability, net of tax	-	(1,543,296)	-	-	-	-	(1,543,296)	-	(1,543,296)
Equity instruments through OCI	-	-	-	-	-	-	22,573,846	-	22,573,846
Share of Non controlling interest	-	64,430	-	-	-	-	64,430	(64,430)	-
Non-controlling interest adjustment on account of increase in control	-	-	-	-	-	-	-	-	-
Profit transferred to general reserve	-	(15,000,000)	15,000,000	-	-	-	-	-	-
As at 31.3.2018	115,277,970	1,474,983,592	5,630,532,555	-	2,000,000	417,998,203	7,686,172,967	252,693	7,686,425,660
Change in equity for the year ended March 31, 2019	-	-	-	-	-	-	35,327,902	-	35,327,902
Profit for the period	-	35,327,902	-	-	-	-	(28,819,493)	-	(28,819,493)
Dividend	-	(28,819,493)	-	-	-	-	(5,923,932)	-	(5,923,932)
Corporate dividend tax	-	(5,923,932)	-	-	-	-	-	-	-
Remeasurement of defined benefit liability, net of tax	-	181,283	-	-	-	-	181,283	-	181,283
Equity instruments through OCI	-	-	-	-	-	-	47,042,090	-	47,042,090
Share of Non controlling interest	-	80,480	-	-	-	-	80,480	(80,480)	-
Profit transferred to general reserve	-	(15,000,000)	15,000,000	-	-	-	-	-	-
As at 31.3.2019	115,277,970	1,460,829,832	5,645,532,555	-	2,000,000	417,998,203	7,734,061,297	172,213	7,734,233,510

Amount in ₹

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For Singhi & Co.
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772) Joint Managing Director
Umesh Saraf (DIN: 00017985) Joint Managing Director
A. C. Chakrabortti (DIN: 00015622) Director
Rama Shankar Jhavar (DIN: 00023792) Director
Padam Kumar Khaitan (DIN: 00019700) Director
Rita Bhimani (DIN: 07106069) Director

Bimal Kr Jhunjhunwala CFO & Vice President- Corporate Finance
Saumen Chatterjee Chief Legal Officer & Company Secretary

Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2019

Particulars	Year ended 31.03.2019	Amount in ₹ Year ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	101,891,353	(16,724,881)
Adjustment for :		
Depreciation/amortization	279,504,988	298,263,152
Loss/(profit) on sale of fixed assets	21,375,392	346,820
Interest expense	129,337,957	157,673,090
Other borrowing cost	-	-
Sundry balances written back (Net)	(689,133)	(5,213,826)
Provision for bad and doubtful debts	1,396,697	(16,965)
Excess provision written back	(28,407,804)	(1,577,899)
Provision for gratuity	4,346,216	2,659,602
Provision for leave encashment	2,098,360	1,350,753
Interest income	(21,447,232)	(15,012,872)
Dividend income	(12,849,034)	(17,290,167)
Assets written off (Non cash item)	960,428	1,634,316
Fair value gain on mutual funds	(27,452,458)	(14,908,913)
Fair value gain on non current investments	(3,829,320)	9,102,964
Operating profit before working capital changes	446,236,411	400,285,174
Movements in working capital :		
Increase/(decrease) in current trade payables	13,637,279	42,986,735
Increase/(decrease) in non-current trade payables	-	-
Increase/(decrease) in other current financial liabilities	(13,268,433)	(21,938,862)
Increase/(decrease) in other non-current financial liabilities	(325,000)	289,000
Increase/(decrease) in other current liabilities	1,879,667	72,852,678
Increase/(decrease) in Provisions	(3,962,610)	(5,961,617)
Decrease/(increase) in trade receivables	(31,106,639)	(38,218,336)
Decrease/(increase) in inventories	21,358,850	(8,818,634)
Decrease/(increase) in non-current financial assets	(3,113,629)	85,454
Decrease/(increase) in current financial assets	(25,025,151)	(385,000)
Decrease/(increase) in current loans	145,068	209,435
Decrease/(increase) in other assets	9,912,040	(16,496,836)
Decrease/(increase) in other non current assets	371,390	(151,901,814)
Cash generated from/(used in) operations	416,739,243	272,987,377
Less: Direct taxes paid	72,995,554	90,152,772
Net cash flow from/(used in) Operating Activities (A)	343,743,689	182,834,605
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for fixed assets	(50,375,606)	(26,275,557)
Decrease/(Increase) in capital work in progress	(1,638,337)	(1,120,364)
Decrease/(Increase) in capital advance	-	274,879
Proceeds from sale of fixed assets	5,969,335	130,057
Proceeds from sale of National Saving Certificates	-	24,000
Purchase of current investments	(3,575,000)	(11,684,663)
Proceeds from sale/maturity of current investments	(199,640,961)	220,465,754
Non-current loans repaid/(given)	-	(70,000)
Interest received	32,719,292	18,437,531
Capital Advance	-	17,040,167
Dividend Received	12,849,034	-
Net cash flow from/(used in) Investing Activities (B)	(203,692,243)	217,221,804
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(95,550,000)	(73,500,000)
Proceeds from short term borrowings	(25,582,735)	2,570,000
Repayment of current borrowings	(1,305,760)	2,927,820
Proceeds from unsecured loan	-	-
Unsecured Loan Taken	(143,151,998)	(157,673,090)
Interest paid on borrowings	-	-
Interest paid on debentures	(28,998,677)	(22,964,655)
Dividend paid on shares	(5,923,932)	(4,693,577)
Tax on dividend paid	-	-
Net cash flow from/(used in) in Financing Activities (C)	(300,513,102)	(253,333,502)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	(160,461,656)	146,722,907
Cash and Cash Equivalents at the beginning of the year	186,244,142	39,521,235
Cash and Cash Equivalents at the end of the year	25,782,486	186,244,142

The accompanying notes form an integral part of the consolidated financial statements.

- 1) Cash & Cash equivalent are as per Note-13 of the consolidated Ind AS financial statements.
- 2) Figures in bracket shows cash outflow
- 3) Previous year figures have been regrouped/restated wherever considered necessary

In terms of our report attached

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhavar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Bimal Kr Jhunjunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

1. Company Overview and Significant Accounting Policies

1.1 Company overview

Asian Hotels (East) Limited is a Public Limited Company listed with Bombay Stock Exchange and National Stock Exchange and is primarily engaged in the Hotel business through "Hyatt Regency Kolkata" a five-star Hotel situated in the city of Kolkata.

1.2. Basis of preparation of financial statement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are approved for issue by the Company's Board of Directors on May 10, 2019

Principles of Consolidation

The Consolidated Financial Statements have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements".

The Consolidated Financial Statements comprise the financial statements of Asian Hotels (East) Limited and the following subsidiaries:-

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2019
GJS Hotels Limited	India	100
Regency Convention Centre & Hotels Limited	India	62.44
Robust Hotels Private Limited	India	100

The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its subsidiaries companies have been combined on a line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions, if any.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Goodwill arising in Consolidated Financial Statements on consolidation of Financial Statements of the Company and its subsidiary companies have been capitalised to the extent not impaired in the books of the Company. The Company has elected to measure the value of goodwill at previous IGAAP value as on the transition date.

1.3 Functional & Presentation Currency

These Financial statements are presented in Indian Rupees (INR) which is also the company's functional currency.

1.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.5 Significant Accounting Policies

a. Property Plant & Equipment:

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on fixed assets is calculated on a straight-line basis using the rates based on the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013. 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.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Intangibles

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

b. Investments in Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company's investment in the equity shares of its subsidiaries are recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries are recognized at fair value.

c. Inventories

Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion & selling expenses.

d. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

e. Financial Instruments

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

Financials Asset

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

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

- (i) Financial Asset at amortized cost
- (ii) Financial Asset At Fair Value through other comprehensive income (OCI)
- (iii) Financial Asset at Fair value through profit and loss (PL)

Financial Asset at amortized cost

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

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

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

Financial Asset at Fair value through OCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI. Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial Asset at fair value through profit or loss

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable if the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

Derecognition of Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

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

Impairment of financial assets

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For financial liabilities maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Subsequent Measurement

Financial liabilities at fair value through profit or loss

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

Financial Liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

f. Cash and Cash Equivalents

Cash and Cash Equivalent in balance sheet comprise cash at banks and on hand, unpaid dividend, money margin deposit, fixed deposits and short - term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

g. Trade Payables & Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

h. Provisions, Contingent liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

A contingent liability is disclosed in case of;

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible ;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from contract with customer

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Sale of Goods:

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The normal credit term is 30 days days upon delivery. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Sale of Services:

The Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room booking and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

j. Other Income

Other income is comprised primarily of interest income, dividend income, gain on sale of investments and exchange gain/loss on translation of assets and liabilities. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recognised using the effective interest rate (EIR). Dividend income is recognised when right to receive payment is established.

k. Borrowing Costs

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

l. Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

m. Earnings per share

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of equity shares to the extent that they are entitled to participate in dividends relative to a fully paid equity shares during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

n. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2014, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing cost. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

o. Fair Value Measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

p. Employee benefits

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

Gratuity & Leave Encashment (Unfunded): Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet. The valuation is done by an independent actuary using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

q. Foreign Currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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

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

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r. Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

s. Impairment of non-current assets - Ind AS 36 requires that the Company assesses conditions that could cause an asset or a Cash Generating Unit (CGU) to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Company's market capitalization, significant changes in the Company's planned use of the assets or a significant adverse change in the expected prices, sales volumes or raw material cost. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. CGU is usually the individual plant, unless the asset or asset group is an integral part of a value chain where no independent prices for the intermediate products exist, a group of plants is combined and managed to serve a common market, or where circumstances otherwise indicate significant interdependencies.

In accordance with Ind AS 36, goodwill and certain intangible assets are reviewed at least annually for impairment. If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices and their impact on markets and prices for upgraded products, development in demand, inflation, operating expenses and tax and legal systems. The Company uses internal business plans, quoted market prices and the Company's best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed over the period of three years with projections thereafter. The Company does not include a general growth factor to volumes or cash flows for the purpose of impairment tests, however, cash flows are generally increased by expected inflation and market recovery towards previously observed volumes.

t. New Standards / Amendments to Existing Standard issued but not yet effective upto the date of issuance of the Company's Financial Statement are disclosed below:

Ind AS 116 Leases was notified on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in its Financial Statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Amendment to Ind AS 12 Income Taxes :

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind AS 19 plan amendment, curtailment or settlement:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

2. Key Accounting Estimates & Judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Income taxes

Deferred tax assets are recognized for unused tax losses/MAT carry forward to the extent is possible that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies including amount expected to be paid / recovered for uncertain tax positions.

b. Property, Plant and Equipment and Useful Life of PPE and Intangible Assets

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The life based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the products or service output of the asset.

c. Defined Benefit Plans

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting require the Company to make assumptions regarding variables such as discount rate, rate of as at and for the year ended March 31, 2019.

d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

e. Provisions and Contingencies

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

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								Amount in ₹
3. PROPERTY, PLANT & EQUIPMENT								Total
Particulars	Freehold Land	Leasehold Land	Building	Plant & Equipments	Furniture & Fixtures	Office Equipments	Vehicles	
Gross carrying value as at 31.03.2017	1,540,585,512	354,799,565	4,124,946,878	2,281,805,090	753,992,962	17,951,744	12,850,177	9,086,931,928
Additions	-	149,131	1,665,150	8,099,972	12,371,986	737,235	-	23,023,474
Deletions	-	-	1,634,316	182,624	471,384	-	-	2,288,324
Gross carrying value as at 31.03.2018	1,540,585,512	354,948,696	4,124,977,712	2,289,722,438	765,893,564	18,688,979	12,850,177	9,107,667,078
Additions	-	1,285,930	653,763	24,676,616	3,254,003	17,312	18,622,981	48,510,605
Disposals	-	-	-	43,917,918	676,565	-	171,988	44,766,471
Gross carrying value as at 31.03.2019	1,540,585,512	356,234,626	4,125,631,475	2,270,481,136	768,471,002	18,706,291	31,301,170	9,111,411,212
Accumulated depreciation as at 31.03.2017	-	-	468,026,654	1,010,319,469	475,087,565	15,587,569	10,261,914	1,979,283,171
Charge for the year	-	14,130,174	65,295,901	148,885,244	76,558,594	791,002	491,477	306,152,392
Deletions	-	-	-	173,493	3,639	-	-	177,132
Accumulated depreciation as at 31.03.2018	-	14,130,174	533,322,555	1,159,031,220	551,642,520	16,378,571	10,753,391	2,285,258,431
Charge for the year	-	788,539	65,375,146	112,879,518	97,628,189	599,789	1,381,700	278,652,881
Disposals	-	-	-	16,461,314	-	-	-	16,461,314
Accumulated depreciation as at 31.03.2019	-	14,918,713	598,697,701	1,255,449,424	649,270,709	16,978,360	12,135,091	2,547,449,998
Net carrying value as at 31.03.2018	1,540,585,512	340,818,522	3,591,655,157	1,130,691,218	214,251,044	2,310,408	2,096,786	6,822,408,647
Net carrying value as at 31.03.2019	1,540,585,512	341,315,913	3,526,933,774	1,015,031,712	119,200,293	1,727,931	19,166,079	6,563,961,214

Notes:

- The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e 1st April, 2015 as its deemed cost on the date of transition to Ind AS (i.e 1st April, 2015)
- The company has reviewed its estimate with respect to residual value of property plant and equipment and intangible assets. On the basis of the technical assessment of the assets, the depreciation has been calculated considering the revised residual value of the assets and accordingly the depreciation charge for the year has increased by ₹ 2,07,67,325 and WDV of assets has decreased by ₹ 2,07,67,325.

		Amount in ₹
4. CAPITAL WORK IN PROGRESS		Total
Particulars		
Carrying value as at 31.03.2017		872,181
Additions		21,742,936
Deletions		6,492,398
Carrying value as at 31.03.2018		16,122,719
Additions		2,676,876
Disposals		-
Carrying value as at 31.03.2019		18,799,595

		Amount in Rs
5. INTANGIBLE ASSETS		Total
Particulars	Software	Goodwill on Consolidation
Gross carrying value as at 31.03.2017	46,557,877	1,063,675,210
Additions	3,252,083	193,100,530
Deletions	-	-
Gross carrying value as at 31.03.2018	49,809,960	1,256,775,740
Additions	1,865,000	-
Disposals	-	-
Gross carrying value as at 31.03.2019	51,674,960	1,256,775,740
Accumulated depreciation as at 31.03.2017	36,417,512	-
Charge for the year	6,240,935	-
Deletions	-	-
Accumulated depreciation as at 31.03.2018	42,658,447	-
Charge for the year	1,640,645	-
Disposals	-	-
Accumulated depreciation as at 31.03.2019	44,299,092	-
Net carrying value as at 31.03.2018	7,151,513	1,256,775,740
Net carrying value as at 31.03.2019	7,375,868	1,256,775,740

Asian Hotels (East) Limited

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

6. INVESTMENTS

Particulars	As at 31.03.2019	As at 31.03.2018
Non - current		
Quoted		
Investment carried at FVTOCI		
Investment in equity shares of Asian Hotels (West) Limited 524,438 (previous year: 524,438) equity shares of ₹ 10/- each fully paid up	184,602,178	137,560,088
Investment carried at amortised cost		
Investment in Bonds of Indian Railways Financial Corporation Limited 150,000 (Previous year: 150,000) 8.23% tax free bonds of ₹ 1000/-each	150,000,000	150,000,000
	334,602,178	287,560,088
Unquoted		
Investments carried at FVTPL		
6,54,000 (Previous Year : 7,26,000) Class-B Equity Shares of Maple Renewable Power Private Limited of ₹ 10/- each	29,835,480	30,767,880
1,63,500 Class-A Equity Shares of Iris Ecopower Venture Private Limited of ₹ 10/- each	5,676,720	-
Investment carried at amortised cost		
Investment in Government Securities	10,000	10,000
	35,522,200	30,777,880
	370,124,378	318,337,968
Aggregate value of quoted investments	334,602,178	287,560,088
Aggregate value of unquoted investments	35,522,200	30,777,880

Particulars	As at 31.03.2019 No. of units	As at 31.03.2018 No. of units	As at 31.03.2019 ₹	As at 31.03.2018 ₹
Current				
Unquoted, fully paid up				
Investment carried at FVTPL				
Investment in units of mutual funds [face value (FV) of ₹ 10 each, unless otherwise stated]				
Aditya Birla Sun Life Cash Plus -DDR	-	805,494	-	80,768,621
Franklin India Ultra Short Bond Fund-SIP-DDR	467,348	941,561	4,716,106	9,488,863
Franklin India Liquid Fund- Super Institutional Plan- DDR (FV ₹ 1000)	196,428	-	196,566,962	-
Aditya Birla Sunlife Fixed Term Plan- Series QH (1101 days)- Regular Growth	8,163,420	-	86,852,258	-
UTI Fixed Term Income Fund Series XXIX - IX (1109 Days) - Growth Plan	9,699,704	-	101,627,676	-
ICICI Prudential Flexible Income Plan- Daily Dividend Reinvestment	-	-	-	-
ICICI Prudential Savings Fund - Daily Dividend Reinvestment	-	-	-	-
UTI Short Term Income Fund-Institutional Plan - Growth	13,007,280	13,007,280	292,796,481	274,743,677
UTI Treasury Advantage Fund -Instt.-Plan- Daily Dividend Reinvestment	8,308	95,909	8,326,834	96,131,737
Total			690,886,317	461,132,898
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			690,886,317	461,132,898
Aggregate amount of adjustments to impairment in value of investments			-	-

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

7. LOANS	Amount in ₹	
Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Loan to other parties	-	84,770
	-	84,770
Other loans and advances		
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd. (Refer Note 38)	33,448,275	33,448,275
Employee advance	49,400	194,468
	33,497,675	33,642,743

7.1 No loans and advances are due from directors or other officers of the company either severally or jointly with any other person.

8. OTHER FINANCIAL ASSETS		Amount in ₹
Particulars	As at 31.03.2019	As at 31.03.2018
Non - current		
Security deposits with Government Department	17,097,572	13,302,290
Other Deposits	14,850,055	14,975,055
Fixed Deposits with Banks with maturity more than 12 months	8,043,890	8,505,773
	39,991,517	36,783,118

*Includes Margin Money deposit of ₹ 80,43,890 (Previous Year: ₹ 12,33,000)

Particulars	Amount in ₹	
	As at 31.03.2019	As at 31.03.2018
Current		
Interest accrued but not due	11,990,869	12,056,423
Interest accrued and due	948,356	708,859
Accrued Revenue	180,000	-
	13,119,225	12,765,282

9. INCOME TAX ASSETS (net)		Amount in ₹
Particulars	As at 31.03.2019	As at 31.03.2018
Non-current		
Income tax assets	380,575,181	527,465,789
Less: Provision for taxes	245,824,056	397,329,275
	134,751,125	130,136,514

Particulars	Amount in ₹	
	As at 31.03.2019	As at 31.03.2018
Current		
Income tax assets	11,713,833	11,684,673
Less: Provision for taxes	352,234	352,234
	11,361,599	11,332,439

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10. OTHER ASSETS		Amount in ₹
Particulars	As at 31.03.2019	As at 31.03.2018
Non-current		
Capital advance	-	250,000
Deposits with High Court	151,200,000	151,200,000
Balances with Statutory Authorities	330,424	701,814
Stamp duty recoverable from Odisha Govt.	-	-
	151,530,424	152,151,814
Current		
Advance to suppliers	27,976,949	18,076,691
Prepaid expenses	28,757,896	29,806,297
Balance with statutory authorities	8,672,219	21,107,254
Other Receivables	-	2,848,212
	65,407,064	71,838,453
11. INVENTORIES		Amount in ₹
Particulars	As at 31.03.2019	As at 31.03.2018
Current		
(valued at cost or net realisable value whichever is lower)		
Food, Liquor & Tobacco	19,676,679	32,626,840
General Stores and Spares	2,321,019	10,729,708
	21,997,698	43,356,548
12. TRADE RECEIVABLES		Amount in ₹
Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Other trade receivables		
– Unsecured, considered good	178,967,038	150,874,203
– Doubtful	1,494,731	1,716,265
	180,461,769	152,590,467
Less: Allowance for bad & doubtful debts	1,494,731	98,034
	178,967,038	152,492,434
	178,967,038	152,492,434
13. CASH & CASH EQUIVALENTS		Amount in ₹
Particulars	As at 31.03.2019	As at 31.03.2018
Current		
Cash and Cash Equivalents		
Balance with banks		
In current accounts	23,179,961	184,023,797
Cash in hand	2,602,525	2,220,345
	25,782,486	186,244,142
Other Bank Balances		
Fixed Deposits with original maturity of more than 3 months & having remaining maturity of less than 12 months from the Balance Sheet date	41,500,000	20,000,000
In unpaid dividend accounts	4,326,671	4,505,855
In margin money deposit*	-	385,000
	45,826,671	24,890,855

* Other Bank Balances as of March 31, 2018 include restricted cash and bank balances of ₹ 3,85,000.

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14. SHARE CAPITAL

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Authorised Shares		
90,000,000 Equity shares of Rs 10/- each	900,000,000	900,000,000
1,000,000 Preference shares of Rs 10/- each	10,000,000	10,000,000
Issued, subscribed & paid up		
11,527,797 (previous year: 11,527,797) Equity Shares of Rs 10/- each	115,277,970	115,277,970
Total	115,277,970	115,277,970
Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	As at 31.03.2019	As at 31.03.2018
At the beginning of the year	11,527,797	11,440,585
Issued during the year	-	3,214,284
Cancelled during the year	-	(3,127,072)
At the end of the year	11,527,797	11,527,797

Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

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

Details of shareholders Holding more than 5% shares in the Company

Equity shares	As at 31.03.2019 % of Holding	As at 31.03.2018 % of Holding	As at 31.03.2019 No. of Shares	As at 31.03.2018 No. of Shares
Saraf Industries Limited	31.49%	31.49%	3,630,630	3,630,630
Radhe Shyam Saraf	28.49%	28.49%	3,284,680	3,284,680
Axis Bank Limited	5.42%	5.42%	624,487	624,487
Ratna Saraf	5.36%	5.36%	617,347	617,347

15. OTHER EQUITY

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Capital reserve	417,998,203	417,998,203
Capital redemption reserve	2,000,000	2,000,000
Securities premium reserve	-	-
General reserve	5,645,532,555	5,630,532,555
Retained earnings	1,460,829,832	1,474,983,592
FVTOCI reserve	92,422,737	45,380,647
Non controlling interest	172,213	252,693
	7,618,955,540	7,571,147,690

Refer statement on changes in equity for movement details.

16. BORROWINGS

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Non-current		
Loan from HDFC Limited	1,229,550,000	1,325,100,000
Less: Repayable within one year	118,050,000	95,550,000
	1,111,500,000	1,229,550,000
	1,111,500,000	1,229,550,000

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

16.1

Security Clause

The above term loan is secured by pari passu first charge by way of hypothecation of entire movable properties both present and future and equitable mortgage by way of deposit of title deeds of immovable properties together with buildings & structures, plant & equipment, furniture & fittings installed/to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamilnadu with IDBI Bank Ltd. Above securities are ranking pari passu for the Bank Guarantee facility availed by the company and further, secured by way of second charge on all book debts, operating cash flows, revenues, commission and receivables both present and future, having first charge of IDBI Bank Ltd for Cash Credit facility granted to the Company. The Cash credit facility from IDBI Bank Ltd, BG facility from IDBI Bank Ltd and Term Loan from HDFC Ltd are further secured by corporate guarantee of Asian Hotels (East) Limited, Kolkata.

Terms of Repayment

The loan is repayable in 42 Quarterly Instalments being:

- 2 Quarterly instalments of ₹ 93,00,000 each commenced from 31st March, 2015 and ended on 30th June, 2015,
- 4 Quarterly instalments of ₹ 94,50,000 each commenced from 30th September, 2015 and ended on 30th June, 2016,
- 4 Quarterly instalments of ₹ 1,50,00,000 each commenced from 30th September, 2016 and ended on 30th June, 2017,
- 4 Quarterly instalments of ₹ 1,95,00,000 each commenced from 30th September, 2017 and ending on 30th June, 2018,
- 4 Quarterly instalments of ₹ 2,53,50,000 each commencing from 30th September, 2018 and ending on 30th June, 2019,
- 4 Quarterly instalments of ₹ 3,09,00,000 each commencing from 30th September, 2019 and ending on 30th June, 2020,
- 4 Quarterly instalments of ₹ 3,75,00,000 each commencing from 30th September, 2020 and ending on 30th June, 2021,
- 4 Quarterly instalments of ₹ 4,50,00,000 each commencing from 30th September, 2021 and ending on 30th June, 2022 and 12 Quarterly instalments of ₹ 6,25,50,000 each commencing from 30th September, 2022 and ending on 30th June, 2025 as per Repayments Schedule letter dated 16th August, 2012

Particulars	Amount in ₹	
	As at 31.03.2019	As at 31.03.2018
Current		
Secured		
Cash Credit Account with IDBI Bank	12,874,616	45,877,706
Overdraft Account with IDBI Bank	10,730,380	-
Unsecured, repayable on demand		
Loan from other parties	-	4,615,784
	23,604,996	50,493,490

- 16.2 The above cash credit facility is secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumable stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge in favour of HDFC Limited for Term loan granted to the Company. The above facility is further secured by a pari passu charge by way of hypothecation of entire movable properties (fixed assets) including movable machineries, tools & accessories present and future and Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 with HDFC Ltd for the Term Loan facility and Corporate Guarantee of Asian Hotels (East) Limited.

- 16.3 The Company maintains an overdraft account and is secured against fixed deposits.

17. TRADE PAYABLES

Particulars	Amount in ₹	
	As at 31.03.2019	As at 31.03.2018
Current		
Trade payables (Refer note no 42 for details of dues of micro & small enterprises)	125,132,307	115,419,497
	125,132,307	115,419,497
Classification as required by MSME Act		
Total Outstanding dues of Micro Enterprises and Small Enterprises*	409,811	552,518
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	124,722,496	114,866,979
Total Trade Payables	125,132,307	115,419,497

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 (MSME Act) are based on information made available to the Company. Neither was there any delay in payment nor is any interest due and remaining unpaid on the above.

Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

18. OTHER FINANCIAL LIABILITIES

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Non-current		
Security deposit	1,538,000	1,863,000
	1,538,000	1,863,000
Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Current		
Current maturities of long term debt	118,050,000	95,550,000
Salary payable	22,334,992	19,387,770
Contract Payroll Payable	10,637,357	9,491,365
Unpaid dividends (Refer Note 48)	4,326,671	4,505,855
Expenses payable	60,492,398	80,749,201
Security deposit	-	60,000
Interest accrued and due on loan	14,568	265,335
Interest accrued and not due on loan	-	-
Other payables	138,881,327	190,185,520
	354,737,313	400,195,046

19. PROVISIONS

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Non-current		
Provision for gratuity (Refer Note 40)	17,805,600	16,417,065
Provision for leave benefits (Refer Note 40)	4,523,705	4,492,391
Provision for LTA	2,374,091	2,468,302
	24,703,396	23,377,758
Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Current		
Provision for gratuity (Refer Note 40)	7,728,399	6,539,904
Provision for leave benefits (Refer Note 40)	1,048,311	1,298,985
	8,776,710	7,838,889

20. DEFERRED TAX LIABILITIES

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Non-current		
Deferred tax liabilities		
On fiscal allowances of fixed assets	146,848,397	147,984,304
On Fair value gain on current investments	12,335,631	4,341,476
	159,184,028	152,325,780
Deferred tax assets		
On Employees' separation and retirement etc.	9,885,776	9,097,834
On Provision for doubtful debts / advances	435,266	28,547
On Provision for VAT	23,791,408	10,767,351
On Provision for Service Tax and Other Tax	3,422,981	-
MAT credit entitlement	50,881,095	59,913,437
Other timing differences	-	-
	88,416,526	79,807,169
	70,767,502	72,518,611

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

20.1 In view of profitability projections, the company is confident that there would be sufficient taxable income in future periods to utilize MAT credit entitlements.

Amount in ₹

Movement in deferred tax liabilities

Particulars	On fiscal allowances of fixed assets	On Fair value gain on current investments	Total
As at 31.03.2017	174,283,094	-	174,283,094
Charged/(credited):			
- to profit and loss	(26,298,790)	4,341,475	(21,957,315)
- to Other comprehensive income	-	-	-
As at 31.03.2018	147,984,304	4,341,475	152,325,779
Charged/(credited):			
- to profit and loss	(1,135,907)	7,994,156	6,858,249
- to Other comprehensive income	-	-	-
As at 31.03.2019	146,848,397	12,335,631	159,184,028

Movement in Deferred tax assets

Particulars	On Employees' separation and retirement etc.	On Provision for doubtful debts / advances	On Provision for VAT	On Provision for Service Tax and Other Tax	MAT Credit Entitlement	Total
As at 31.03.2017	10,668,204	560,037	-	-	61,239,183	72,467,424
Charged/(credited):						
- to profit and loss	(1,570,370)	(531,490)	10,767,351	-	(1,325,746)	7,339,745
- to Other comprehensive income	-	-	-	-	-	-
As at 31.03.2018	9,097,834	28,547	10,767,351	-	59,913,437	79,807,169
Charged/(credited):						
- to profit and loss	787,942	406,719	13,024,057	3,422,981	(9,032,342)	8,609,357
- to Other comprehensive income	-	-	-	-	-	-
As at 31.03.2019	9,885,776	435,266	23,791,408	3,422,981	50,881,095	88,416,526

Asian Hotels (East) Limited

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

21. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2019	Amount in ₹ As at 31.03.2018
Current		
Advance from customers	37,468,066	51,389,738
Statutory dues	130,287,139	83,033,161
Other payables	7,406,695	15,543,747
	175,161,900	149,966,646

22. REVENUE FROM OPERATIONS

Particulars	Year Ended 31st March 2019	Amount in ₹ Year Ended 31st March 2018
Sale of products	902,435,760	840,956,710
Sale of services	1,121,087,535	1,055,272,910
	2,023,523,295	1,896,229,620

Set out below is the disaggregation of the Company's revenue from operations:

Sale of products

Beverages, wines and liquor	149,822,086	121,574,274
Food and smokes	752,613,674	719,382,435
	902,435,760	840,956,710

Sale of services

Rooms	916,245,372	867,133,489
Banquet income (only rental portion)	74,950,715	59,567,664
Health & spa	35,005,771	35,707,323
Laundry & dry cleaning	21,919,479	21,617,098
Auto rental	17,006,855	22,172,291
Communication	863,086	1,987,938
Equipment revenue	3,706,637	2,041,983
Service charge	19,270,895	10,212,473
Other operating revenue	32,118,725	34,832,650
	1,121,087,535	1,055,272,910
	2,023,523,295	1,896,229,620

The company has presented revenue based on the type of goods or services provided to the customers. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

23. OTHER INCOME

Particulars	Year Ended 31st March 2019	Amount in ₹ Year Ended 31st March 2018
Interest income from non-current investments	12,345,000	12,345,000
Interest income from term deposit	538,876	717,238
Interest income - others	3,493,020	1,950,634
Interest on Income Tax Refund	5,070,336	
Dividend on current investment	12,849,034	17,290,167
Net gain on sale of current investments	-	-
Net gain on foreign currency translation	-	331,673
Fair value gain on current investments	33,613,138	14,908,913
Fair value gain on non-current investments	-	-
Insurance claim received	-	-
Excess provision written back	29,096,937	6,808,688
Miscellaneous income	8,927,156	3,059,896
	105,933,497	57,412,210

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24. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS		Amount in ₹
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Opening Stock	32,626,840	32,053,762
Add : Purchases	222,492,395	241,559,375
	255,119,235	273,613,137
Less : Closing Stock	19,676,679	32,626,840
	235,442,556	240,986,297
25. EMPLOYEE BENEFIT EXPENSES		Amount in ₹
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Salaries, wages & bonus	312,897,596	291,332,581
Contribution to provident & other funds	19,945,487	21,357,617
Staff welfare expenses*	49,232,440	39,310,662
	382,075,523	352,000,860
*Includes cost of provisions consumed in staff cafeteria		
26. FINANCE COST		Amount in ₹
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Interest on term loan	141,110,693	154,003,741
Interest on cash credit	2,041,305	3,669,349
Interest on others	69,898	4,509
Other borrowing costs	1,395,778	4,598,324
	144,617,674	162,275,923
27. OTHER EXPENSES		Amount in ₹
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Contract labour and service	119,066,951	110,599,684
Room, catering & other supplies	85,781,933	73,671,606
Linen & operating equipments consumption	26,963,158	22,154,634
Fuel, power & light	201,456,489	201,762,288
Repairs, maintenance & refurbishing	99,723,920	106,328,605
Satellite & television charges	1,707,084	394,153
Rent	18,328,776	19,004,549
Rates & taxes	83,411,564	82,061,980
Insurance	7,760,707	5,705,429
Directors' sitting fees	1,264,000	1,154,000
Legal & professional expenses	18,348,541	19,527,010
Payment to auditors	1,411,610	1,388,850
Printing & stationery	5,490,298	5,133,137
Guest transportation	19,340,034	22,543,657
Travelling & conveyance	26,202,757	19,976,564
Communication expenses	8,082,703	8,311,868
Technical services	70,610,295	64,550,898
Infosystems	-	1,005,428
Advertisement & publicity	60,720,062	55,520,584
Commission & brokerage	80,529,575	65,733,369
CSR expenditure	2,500,000	2,658,800
Charity & donation	-	61,000
Bank charges and commission	314,043	346,243
Filing fees	30,000	48,993
Equipment hiring charges	3,968,330	5,860,600
Provision for bad & doubtful debts	1,396,697	-
Net loss on foreign exchange	9,416,491	1,757,715
Loss on sale of PPE	21,375,392	346,820
Assets written off	960,428	1,823,989
Loss on sale of Investments	2,331,360	9,102,964
Miscellaneous expenses	7,431,501	8,305,060
	985,924,699	916,840,478

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

28. EARNINGS PER SHARE (BASIC & DILUTED)

Particulars	Year Ended 31st March 2019	Amount in ₹ Year Ended 31st March 2018
(i) Profit available for Equity Shareholders	35,408,382	(57,310,037)
(ii) Weighted average number of Equity Shares @ Rs 10 each	11,527,797	11,527,797
(iii) Earnings/(Loss) per share (R)	3.07	(4.97)

29. FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2019 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets:					
Investments					
In Equity Shares	-	35,512,200	184,602,178	220,114,378	220,114,378
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	690,886,317	-	690,886,317	690,886,317
In Government Securities	10,000	-	-	10,000	10,000
Loans	33,497,675	-	-	33,497,675	33,497,675
Cash & cash equivalents	45,826,671	-	-	45,826,671	45,826,671
Trade receivables	178,967,038	-	-	178,967,038	178,967,038
Other financial assets	53,110,742	-	-	53,110,742	53,110,742
Total	461,412,126	726,398,517	184,602,178	1,372,412,821	1,372,412,821
Liabilities:					
Borrowings	1,135,104,996	-	-	1,135,104,996	1,135,104,996
Trade payables	125,132,307	-	-	125,132,307	125,132,307
Other financial liabilities	356,275,313	-	-	356,275,313	356,275,313
Total	1,616,512,616	-	-	1,616,512,616	1,616,512,616

The carrying value and fair value of financial instruments by categories as on March 31, 2018 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets:					
Investments					
In Equity Shares	-	30,767,880	137,560,088	168,327,968	168,327,968
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000
In Mutual Funds	-	461,132,898	-	461,132,898	461,132,898
In Government Securities	10,000	-	-	10,000	10,000
Loans	33,727,513	-	-	33,727,513	33,727,513
Cash & cash equivalents	186,244,142	-	-	186,244,142	186,244,142
Trade receivables	152,492,434	-	-	152,492,434	152,492,434
Other financial assets	49,548,400	-	-	49,548,400	49,548,400
Total	572,022,488	491,900,778	137,560,088	1,201,483,354	1,201,483,354
Liabilities:					
Borrowings	1,280,043,490	-	-	1,280,043,490	1,280,043,490
Trade payables	115,419,497	-	-	115,419,497	115,419,497
Other financial liabilities	402,058,046	-	-	402,058,046	402,058,046
Total	1,797,521,033	-	-	1,797,521,033	1,797,521,033

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29. FINANCIAL INSTRUMENTS (Contd.)

Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2019:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
In Equity Shares	220,114,378	184,602,178	35,512,200	-
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	690,886,317	690,886,317	-	-
In Government Securities	10,000	-	10,000	-
Loans	33,497,675	-	-	33,497,675
Cash & cash equivalents	45,826,671	-	-	45,826,671
Trade receivables	178,967,038	-	-	178,967,038
Other financial assets	53,110,742	-	-	53,110,742
Total	1,372,412,821	875,488,495	185,522,200	311,402,126
Liabilities:				
Borrowings	1,135,104,996	-	-	1,135,104,996
Trade payables	125,132,307	-	-	125,132,307
Other financial liabilities	356,275,313	-	-	356,275,313
Total	1,616,512,616	-	-	1,616,512,616

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2018:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
In Equity Shares	168,327,968	-	168,327,968	-
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	461,132,898	461,132,898	-	-
In Government Securities	10,000	-	-	10,000
Loans	33,727,513	-	-	33,727,513
Cash & cash equivalents	186,244,142	-	-	186,244,142
Trade receivables	152,492,434	-	-	152,492,434
Other financial assets	49,548,400	-	-	49,548,400
Total	1,201,483,354	461,132,898	318,327,968	422,022,488
Liabilities:				
Borrowings	1,280,043,490	-	-	1,280,043,490
Trade payables	115,419,497	-	-	115,419,497
Other financial liabilities	402,058,046	-	-	402,058,046
Total	1,797,521,033	-	-	1,797,521,033

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are close approximation of fair value. The Company's investment in the equity shares of its subsidiaries is recognised at cost.

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

30. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

Market risk

The primary market risk to the Company is foreign exchange risk. The Company is exposed to foreign exchange risk through its purchases from overseas suppliers and payment for services availed in various foreign currencies. The Company pays off its foreign exchange exposure within a short period of time, thereby mitigates the risk of material changes in exchange rate on foreign currency exposure.

The following table analyses foreign currency risk from financial instruments as of 31st March 2019 and 31st March 2018.

	Amount in ₹
	31st March 2019
Particulars	31st March 2018
Trade payables (USD Converted to INR)	73,324,476
	121,140,434

For the year ended 31st March 2019 and 31st March 2018, the effect of every percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S.dollar on profit before tax is as under;

	Change in USD rate	Effect on profit before tax	
		31st March 2019	31st March 2018
Appreciation in exchange rate	1%	-733,245	-1,211,404
Depreciation on exchange rate	-1%	733,245	1,211,404

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2019:

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2019:					Amount in ₹
Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Borrowings	23,604,996	143,400,000	655,350,000.00	312,750,000	1,135,104,996
Trade payables	125,132,307	-	-	-	125,132,307
Other financial liabilities	354,737,313	1,538,000	-	-	356,275,313

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2018:

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2018:					Amount in ₹
Particulars	Less than 1 year	1-2 years	2-5 years	More than 5 years	Total
Borrowings	50,493,490	118,050,000	548,550,000	562,950,000	1,280,043,490
Trade payables	115,419,497	-	-	-	115,419,497
Other financial liabilities	400,195,046	1,863,000	-	-	402,058,046

Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows :

The maximum exposure of financial asset to credit risk are as follows :		Amount in ₹
Particulars	31st March 2019	31st March 2018
Investments	1,061,010,695	779,470,865
Trade receivables	178,967,038	152,492,434
Cash & cash equivalents	25,782,486	186,244,142
Loans	33,497,675	33,727,513
Other financial assets	53,110,742	49,548,400

Credit risk on cash and cash equivalent is limited as the Company generally invest in deposits with nationalised banks. Investments primarily include investments in liquid mutual fund units, fixed maturity plans, short term fund, quoted bonds and equity shares.

CONSOLIDATED FINANCIAL STATEMENTS**Consolidated Notes to the Financial Statements for the year ended 31st March 2019****31. CAPITAL MANAGEMENT**

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximisation the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows :

	Amount in ₹	
Particulars	31st March 2019	31st March 2018
Net debt	1,135,104,996	1,280,043,490
Total net debt and equity	8,869,166,293	8,966,216,457
Gearing Ratio	12.80%	14.28%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

32. C.I.F. Value of Imports :

	Amount in ₹	
Particulars	31st March 2019	31st March 2018
Stores & Spares	568,692	1,009,588
Capital Goods	1,404,073	4,620,447
Total	1,972,765	5,630,035

33. Expenditure in Foreign Currency (on payment basis)

	Amount in ₹	
Particulars	31st March 2019	31st March 2018
Commission & Brokerage	43,465,694	38,266,913
Technical Services	14,572,488	27,653,088
Advertisement & Publicity	12,616,367	12,206,041
Recruitment & Training	989,155	535,028
Others	46,004,842	40,007,550
Total	117,648,546	118,668,620

34. Earnings in Foreign Currency (on receipt basis)

	Amount in ₹	
Particulars	31st March 2019	31st March 2018
Earnings	475,617,873	459,540,811

35. The Company has paid dividend in respect of shares held by Non-Residents. The total amount remitted in this respect is given herein below:-

	31st March 2019	31st March 2018
Number of non resident shareholders	472	513
Number of equity shares held by non resident shareholders	7,768,082	7,742,183
Amount of dividend paid	19,420,205	15,484,366
Year to which dividend relates	2017-2018	2016-2017

36. As the Company is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.

The Joint Managing Director of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

No Customer individually accounted for more than 10% of the revenue in the year ended March 31, 2019 and March 31, 2018.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

37. Based on review conducted by the management, the management is of the view that there are no indicators for impairment. Hence the requirements of Ind AS -36 is not applicable.

38. As on 31st March 2019, the Company holds 97,009 Equity shares of Rs 10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 62.44% of the paid up capital of RCC. Apart from the above, the Company had also made an advance of Rs 33,448,275 for acquiring further shares of RCC from their existing shareholders and paid advances to RCC amounting to Rs 2,03,41,344 up to the Balance Sheet date which has been disclosed as current loans and advances. Principal assets of Regency Convention Centre and Hotels Limited (RCC) comprise of an interest in a piece of land near CSI Airport at Mumbai. The RCC has filed Suit No. 6846 of 1999 in the High Court of Judicature at Bombay against the Airports Authority of India (AAI) & Ors. for specific performance of the agreement to lease 31,000 sq.mtrs. of land at village-Sahar, Andheri (East), Mumbai in its favour for construction of a five star hotel cum convention centre. The recording of evidence of the RCC's witness and the Defendants Nos. 2 to 16 have already been concluded and closed. The suit is pending of recoding of evidence of Defendant No. 1 i.e., AAI and for final arguments. Parties have asked the Court to expedite the matter.

"In view of slow progress of Suit No. 6846 of 1999 in the High Court of Judicature at Bombay in last twenty (20) years & pursuant to the understanding with the other shareholders of RCC and the Company's continuous efforts to amicably settle the disputes after examining all the available options, your Company desires to make RCC a wholly-owned subsidiary by buying out the shareholding of the other shareholders subsequent to 31st March, 2019.

The Company has also entered into an agreement with Mumbai International Airport Limited (MIAL), Mumbai to subsequently sale its 100% investment in RCC subject to fulfillment of certain conditions and withdraw the Suit No. 6846 of 1999 in the High Court of Judicature at Bombay to amicably settle the dispute. The Company expects to complete the sale of its subsidiary before 30th June, 2019."

39. Statutory Group Information

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹	As % of consolidated profit and loss	₹	As % of consolidated other comprehensive income	₹	As % of consolidated total comprehensive income	₹
Parent								
Asian Hotels (East) Limited								
Balance as at 31st March 2019	119.17%	9,217,103,744	503.30%	177,806,072	99.81%	47,132,693	272.48%	224,938,765
Balance as at 31st March 2018	117.44%	9,026,908,404	-256.96%	147,429,416	104.10%	21,893,350	-465.89%	169,322,766
Subsidiaries								
GJS Hotels Limited								
Balance as at 31st March 2019	20.77%	1,606,503,051	237.14%	83,775,423	-	-	101.48%	83,775,423
Balance as at 31st March 2018	19.81%	1,522,727,628	-130.41%	74,824,563	-	-	-205.88%	74,824,563
Robust Hotels Private Limited								
Balance as at 31st March 2019	35.12%	2,716,507,221	-639.83%	-226,039,318	0.19%	90,680	-273.71%	-225,948,638
Balance as at 31st March 2018	38.28%	2,942,455,859	487.10%	-279,471,337	-4.10%	-862,800	771.34%	-280,334,137
Regency Convention Centre & Hotels Limited								
Balance as at 31st March 2019	0.00%	229,859	-0.38%	-133,790	-	-	-0.16%	-133,790
Balance as at 31st March 2018	0.00%	363,649	0.16%	-92,679	-	-	0.26%	-92,679
Non-controlling interest in subsidiary								
Balance as at 31st March 2019	0.00%	172,213	-0.23%	-80,480	-	-	-0.10%	-80,480
Balance as at 31st March 2018	0.00%	252,693	0.11%	-64,430	-	-	0.18%	-64,430
Elimination								
Balance as at 31st March 2019	-75.07%	-5,806,282,579	-	0	-	-	-	0
Balance as at 31st March 2018	-75.54%	-5,806,282,573	-	2	-	-	-	2
Total								
Balance as at 31st March 2019	100.00%	7,734,233,510	100.00%	35,327,902	100.00%	47,223,373	100.00%	82,551,275
Balance as at 31st March 2018	100.00%	7,686,425,660	100.00%	-57,374,467	100.00%	21,030,550	100.00%	-36,343,917

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Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Amount in ₹

40. Gratuity and other post-employment benefit plans

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

a) Defined contribution plans

i. Provident fund

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:-

Particulars	31 st March 2019	31 st March 2018
Employer's Contribution to Provident Fund	1,08,44,868	1,02,84,852
Employer's Contribution to Pension Scheme	61,22,173	70,07,382

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

In accordance with Indian Accounting Standard 19, Employee Benefits, 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 should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 7.80 % p.a. compound, has been used.

Salary Escalation Rate

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

i. Change in Benefit Obligations:

Particulars

Gratuity (Unfunded)

	31 st March 2019	31 st March 2018
Present value of obligations as at the beginning of the year	2,29,56,967	2,18,59,282
Current service cost	40,25,351	29,93,170
Interest cost	17,24,005	15,20,873
Benefit Paid	-33,75,442	-53,19,799
Actuarial (gain)/ loss on obligation	2,03,118	19,03,441
Present value of obligations as at the year end	2,55,33,999	2,29,56,967
Current liability	77,28,399	65,39,902
Non -Current liability	1,78,05,600	1,64,17,065
Total	2,55,33,999	2,29,56,967

ii. Expenses recognized in the Statement of Profit and Loss:

Particulars

Gratuity (Unfunded)

	31 st March 2019	31 st March 2018
Current Service Cost	40,25,351	29,93,170
Interest Cost	17,24,005	15,20,873
Actuarial (Gain) / loss recognized during the year	-	-
Expenses recognised in Statement of Profit and Loss	57,49,356	45,14,043

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Amount in ₹

40. Gratuity and other post-employment benefit plans (Contd.)

iii. Amount recognized in Other Comprehensive Income (OCI):

Particulars

Gratuity (Unfunded)

31 st March 2019	31 st March 2018
2,18,506	(19,03,441)

Actuarial Gain / (loss) recognized during the year

iv. Principal Actuarial assumptions:

Particulars

Refer Note below

Year ended 31st March 2019

Year ended 31st March 2018

Discount rate (p.a.)	1	7.66%	7.80%
Salary Escalation Rate (p.a.)	2	6.00%	6.00%

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 rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- The gratuity plan and earned leave is unfunded.

Demographic assumptions:

- Retirement age : 58 years
- Mortality rate : Published rates under Indian Assured Lives Mortality (IALM) Ultimate table

41. Leases:

The Company has entered into Operating lease agreements for letting out space. The lease agreements are made for specific period as per agreement. Lease payments received recognized in the Statement of Profit & Loss for the year ended amounted to Rs 57,33,182/-.

The future receipts for operating lease are as follows:

Particulars	31 st March 2019	31 st March 2018
Not Later than 1 year	22,81,230	22,76,743
Later than one year and not later than five years	33,20,080	56,56,698
Later than five years	-	-

The Company has entered into leave & license agreement for premises. The lease agreements are made for specific period as per agreement. Lease payments paid are recognized in the Statement of Profit & Loss for the year ended amounted to Rs 180,00,000/-.

The future Payments for operating lease are as follows:

	31 st March 2019	31 st March 2018
Not Later than 1 year	30,00,000	30,00,000
Later than one year and not later than five years	-	-
Later than five years	-	-

42. The disclosures relating to Micro, Small & Medium Enterprises Development Act, 2006 are as under :-

- The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the Auditors.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Notes to the Financial Statements for the year ended 31st March 2019

Amount in ₹

ii. The disclosures relating to Micro and Small Enterprises are as under :-

Particulars	31 st March 2019	31 st March 2018
The principal amount remaining unpaid to supplier as at the end of the accounting year.	4,09,811	5,52,518
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year.	NIL	NIL
The amount of interest paid in terms of Section 16 alongwith the amount of payment made to the Supplier beyond the appointed day during the year.	NIL	NIL
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 interest specified under this Act.	NIL	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	NIL	NIL

43. Contingent Liabilities :

Contingent Liabilities	31 st March 2019	31 st March 2018
Bank Guarantee	34,67,373	1,61,70,179
Claims against the Company not acknowledged as debts	82,180	9,05,697
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	1,95,00,000	8,000,000
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	4,379,735	4,379,735
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2003-04 to F.Y. 2006-07	-	5,909,585
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	26,753,749	26,753,749
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2008-09 to F.Y. 2012-13	6,836,585	6,836,585
Service Tax under the Finance Act, 1994 pertaining to period Oct-2007 to Jan-2013	348,656	348,656
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2013-14	7,644,193	7,644,193
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2012-13	5,683,418	5,683,418
Value Added Tax under West Bengal VAT Act, 2003 pertaining to F.Y. 2012-13	396,345	396,345
Income Tax under the Income Tax Act, 1961 for the F.Y. 2011-12 (the Company has preferred an appeal against the demand)*	1,68,41,387	16,906,870
Income Tax under the Income Tax Act, 1961 for the F.Y. 2012-13 (the Company has preferred an appeal against the demand)**	1,17,93,677	12,273,270
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (the Company has preferred an appeal against the demand)***	1,21,41,837	1,23,04,560
Income Tax under the Income Tax Act, 1961 for the F.Y. 2014-15 (the Company has preferred an appeal against the demand)****	69,76,470	69,76,470
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (Net of refund of Rs. 74,77,600/- for A.Y. 2015-16)	-	38,078,600
Disputed Income Tax demand for the A.Y 2010-11	-	17,12,83,635
Disputed Income Tax demand for the A.Y 2014-15	-	4,55,56,200
VAT Under WB VAT Act 2003 for the F.Y 2014-15 (the Company has preferred an appeal against the demand)	1,81,216	1,81,216
Disputed Excise Duty and Penalty from April 2012 to October 2015	49,30,507	49,30,507
Pending claims from IOC Limited for non-submission of 'C' forms for purchase of diesel	4,00,000	4,00,000
The West Bengal Value Added Tax Rules, 2005 for the F.Y 15-16	13,09,677	-
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2014-15 to F.Y. 2016-17	3,86,32,924	-
Foreign Trade Development Regulation Act. 1992.	3,96,36,944	-

As there are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019, the company will make provision for the same, on receiving further clarity on the subject.

We have received the refund for A.Y 16-17 amounting to ₹ 2,09,78,584 on June 7, 2018 after adjusting the demand of earlier years ₹ 14,64,496 for the A.Y 2012-2013, ₹ 68,86,704 for the A.Y 2013-2014, ₹ 1,22,87,325 for the A.Y 2014-2015 & ₹ 57,06,038 for the A.Y 2015-2016.

* Out of the above, the company has paid the following amounts under protest and is included in Long term Loans & Advances :

* ₹ 14,750,000/- for the F.Y 2011-2012 (Paid on 24.04.2015, 18.11.2015, 04.12.2015, 16.12.2015, 22.02.2016 of ₹ 10,00,000/-, 32,50,000/-, 21,25,000/-, 63,75,000/-, 20,00,000/- respectively)

** ₹ 1,841,000/- for the F.Y 2012-13 (Paid on 03.05.2016)

*** ₹ 1,850,000/- for the F.Y 2013-14 (Paid on 18.01.2017)

**** ₹ 13,96,000/- for the F.Y 2014-15 (Paid on 09.02.2018)

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

44. Estimated amount of Capital Contracts pending to be executed (Net of Advances – ₹ 2,00,45,970/- (Previous Year – ₹ 21,15,900/-))

45. Payments to Auditors

Particulars	31st March 2019	31st March 2018
Statutory Audit Fees	10,91,300	10,92,050
Tax Audit Fees	3,00,000	225,000
Fees for other services	20,000	50,000
Reimbursement of Expenses	30,250	35,000

46. In accordance with the Indian Accounting Standard on "Related Party Disclosures" (IndAS - 24), the disclosures in respect of Related Parties and transactions with them are as follows: -

Related Party Disclosures

(i) List of Related Parties

(a) Subsidiaries :

GJS Hotels Limited, wholly owned Subsidiary Company
Regency Convention Centre & Hotels Limited
Robust Hotels Private Limited (subsidiary of GJS Hotels Limited)

(b) Key Management Personnel :

Mr. Radhe Shyam Saraf, Chairman
Mr. Arun Kumar Saraf, Joint Managing Director
Mr. Umesh Saraf, Joint Managing Director
Mr. A Srinivasan
Mr. Varun Saraf
Mr. T.N. Thanikachalam
Ms. N. Muthulakshmi
Ms. T Ramyaa

(c) Entities over which directors or their relatives can exercise significant influence/control :

- | | |
|---|---|
| (i) Unison Hotels Private Limited | (xii) Juniper Hotels Private Limited |
| (ii) Unison Hotels South Private Limited | (xiii) Samra Importex Private Limited |
| (iii) Juniper Investments Limited | (xiv) Sara International limited, Hong Kong |
| (iv) Vedic Hotels Limited | (xv) Sara Hospitality Limited, Hong Kong |
| (v) Nepal Travel Agency Pvt. Ltd., Nepal | (xvi) Saraf Hotels Limited, Mauritius |
| (vi) Yak & Yeti Hotels Limited, Nepal | (xvii) Saraf Investments Limited, Mauritius |
| (vii) Chartered Hotels Private Limited | (xviii) Saraf Industries Limited, Mauritius |
| (viii) Chartered Hampi Hotels Private Limited | (xix) Taragaon Regency Hotels Limited, Nepal |
| (ix) Blue Energy Private Limited | (xx) Salkia Estate Development Pvt Ltd |
| (x) Unison Power Limited | (xxi) Polygon Management Advisory Private Limited |
| (xi) Footsteps of Buddha Hotels Private Limited | (xxii) Bodhgaya Guest House Pvt. Ltd |

Asian Hotels (East) Limited

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NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

(ii) Details of Transactions with Related Parties during the year :

Transactions during the period	Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Dividend Paid						
Saraf Industries Limited	-	-	9,076,575	7,261,260	9,076,575	7,261,260
Radhe Shyam Saraf	8,211,700	6,569,360	-	-	8,211,700	6,569,360
Sale of Service						
Juniper Hotels Private Limited	-	-	529,047	248,675	529,047	248,675
Unison Hotels Pvt. Ltd.	-	-	-	17,308	-	17,308
Chartered Hampi Hotels Private Limited	-	-	-	9,272	-	9,272
Chartered Hotels Limited	-	-	506,544	157,713	506,544	157,713
Travelling Expenses						
Unison Hotels Private Limited	-	-	-	29,635	-	29,635
Arun Saraf	1,137,034	255,607	-	-	1,137,034	255,607
Umesh Saraf	1,000,708	400,711	-	-	1,000,708	400,711
Radheshyam Saraf	-	138,623	-	-	-	138,623
Sales Promotion						
Juniper Hotels Private Limited	-	-	-	59,341	-	59,341
Unison Hotels Pvt. Ltd.	-	-	-	685,169	-	685,169
Expenses incurred including reimbursement of expenses						
Chartered Hampi Hotels Private Limited	-	-	17,702	-	17,702	-
Juniper Hotels Private Limited	-	-	281,864	39,627	281,864	39,627
Taragaon Regency Hotels Limited	-	-	78,833	-	78,833	-
Unison Hotels Private Limited	-	-	19,037	538,056	19,037	538,056
Legal Consultancy Fees						
A Srinivasan	600,000	1,200,000	-	-	600,000	1,200,000
Managerial Remuneration*						
Mr. Umesh Saraf	19,062,270	17,557,600	-	-	19,062,270	17,557,600
Mr. Arun Kr. Saraf	18,576,000	18,788,796	-	-	18,576,000	18,788,796
Mr. T.N. Thanikachalam	3,794,179	3,321,873	-	-	3,794,179	3,321,873
Ms. N. Muthulakshmi	1,024,297	1,140,873	-	-	1,024,297	1,140,873
Ms. Ramyaa Thirumaran	282,830	-	-	-	282,830	-
Sitting Fees						
Radheshyam Saraf	50,000	50,000	-	-	50,000	50,000
Mr. Arun Kr. Saraf	5,000	2,000	-	-	5,000	2,000
Mr. Umesh Kr. Saraf	9,000	6,000	-	-	9,000	6,000
Mr. Varun Kumar Saraf	2,000	5,000	-	-	2,000	5,000
Mr. A Srinivasan	4,000	2,000	-	-	4,000	2,000

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS for the period April 1, 2018 to March 31, 2019

Related Party Disclosures (Contd.)

Closing Balance as on 31st March, 2019	Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Trade receivables						
Juniper Hotels Private Limited	-	-	572,188	44,177	572,188	44,177
Chartered Hampi Hotels Private Limited	-	-	-	9,272	-	9,272
Unison Hotels Private Limited	-	-	17,682	17,682	17,682	17,682
Chartered Hotels Limited	-	-	498,418	157,713	498,418	157,713
Taragaon Regency Hotels Limited	-	-	78,833	-	78,833	-
Trade payables						
Juniper Hotels Private Limited	-	-	654,671	603,831	510,630	603,831
Unison Hotels Private Limited	-	-	159,784	178,821	159,784	178,821
Chartered Hotels Limited	-	-	17,702	-	17,702	-

47. The Board of Directors of the Company pursuant to Sections 230 and 232 of the Companies Act, 2013, had approved the Scheme on 10th February, 2017 proposing therein merging of investment division of GJS Hotels Ltd (GJS), a wholly-owned subsidiary with AHEL. The said Scheme also provides for reorganization of the Securities of Robust Hotels Pvt Ltd (RHPL), a step-down subsidiary. On 31st October 2017, the Company has filed a Scheme of Arrangement, before NCLT, Kolkata Bench which has been sanctioned vide its order dated 6th February, 2019. However, the Company is still awaiting the sanction of the Scheme by the National Company Law Tribunal (NCLT), Chennai Bench. The Scheme would be effective once the order from the NCLT, Chennai Bench is passed.

GJS holds Equity shares, Debentures & Cumulative Redeemable Optional Convertible Preference Shares (Securities) in its subsidiary RHPL valued at cost of Rs.204,58,48,608/-, Rs.205,00,00,000/- and Rs.192,73,93,945/- respectively i.e., aggregating to Rs.602,32,42,553/- as on 31st March 2016 being the appointed date. These Securities form part of investment division of GJS. Consequent to the scheme becoming effective, all the Securities held by GJS in its subsidiary RHPL together with the loan taken by GJS from the Company in relation to the Demerged Undertaking as on the said appointed date shall stand transferred/ cancelled and accordingly RHPL will become direct wholly owned subsidiary of the Company. No accounting adjustment has been done pending approval from NCLT, Chennai Bench.

48. Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), Rs. 6,49,597/- and 9096 shares have been transferred to the IEPF for the dividend declared in the financial year ended 2010-11 and the respective shares whose dividend remained unpaid or unclaimed for seven consecutive years. Further, Rs. 12,390/- of FY 2009-10 & Rs 18,585/- of FY 2010-11 and its respective 4,130 shares in both years being restrained shares could not be transferred to the IEPF pursuant to Rule 6(3)(b) of the Rules, the due date of transfer of which was November 4, 2017 & September 29th, 2018 respectively.

49. Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.

In terms of our report attached

For **Singhi & Co.**
Chartered Accountants
Firm Registration. No. 302049E

Anurag Singhi
Partner
Membership No. : 066274

Place: Kolkata
Date: 10th May 2019

For and on behalf of the Board of Directors

Arun K Saraf (DIN: 00339772)	Joint Managing Director
Umesh Saraf (DIN: 00017985)	Joint Managing Director
A. C. Chakrabortti (DIN: 00015622)	Director
Rama Shankar Jhavar (DIN: 00023792)	Director
Padam Kumar Khaitan (DIN: 00019700)	Director
Rita Bhimani (DIN: 07106069)	Director

Bimal Kr Jhunjhunwala
CFO & Vice President- Corporate Finance

Saumen Chatterjee
Chief Legal Officer & Company Secretary

Asian Hotels (East) Limited

NOTES

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Asian Hotels (East) Limited

NOTES

This image shows a full page of white paper with horizontal blue or grey ruling lines, typical of notebook paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



ASIAN HOTELS (EAST) LIMITED

CIN : L15122WB2007PLC162762

Registered Office : Hyatt Regency Kolkata,
JA-1, Sector-III, Salt Lake City,
Kolkata-700 098, West Bengal, India

Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

Registered Office: Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata - 700 098

Phone: 033 2517-1009/1012, Fax: 033 2335 8246, Website: www.ahleast.com/E-mail: investorrelations@ahleast.com

NOTICE

12TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 12TH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED WILL BE HELD ON **MONDAY, 5TH AUGUST, 2019 AT 4:00 P.M.** AT REGENCY BALL ROOM, HYATT REGENCY KOLKATA, JA-1, SECTOR-III, SALT LAKE CITY, KOLKATA- 700 098, WEST BENGAL TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:

1. To consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019, the Reports of the Board of Directors and Auditors thereon and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 and the Report of Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Radhe Shyam Saraf (DIN : 00017962) who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office:
Hyatt Regency Kolkata
JA-1, Sector-III, Salt Lake City
Kolkata - 700 098, West Bengal, India
Tel : 033-2517 1009/1012
Fax : 033-2335 8246
Website: www.ahleast.com
CIN: L15122WB2007PLC162762

By Order of the Board of Directors

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

10th May, 2019

Notes:

- 1) The Company's Statutory Auditor Messrs. Singhi & Co., Chartered Accountants (FRN:302049E) was appointed as Statutory Auditor of the Company for a period of five consecutive years at the 10th Annual General Meeting ("AGM") held on 28th July, 2017 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditor.

Pursuant to the amendments made to the Companies (Amendment) Act, 2017 effective from May, 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

In view of the above, ratification by the Members for the continuance of the appointment at this 12th AGM is not being sought. The Statutory Auditor has given a confirmation to the effect that it is eligible to continue with its appointment and that it

has not been disqualified in any manner from continuing as Statutory Auditor. The remuneration payable to Statutory Auditor shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member. Proxies submitted on behalf of societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. Proxy does not have the right to speak at the Meeting and can vote on a poll.

- 3) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days of notice in writing is given to the Company.
- 4) Corporate Members intending to send their authorized representatives under Section 113 of the Companies Act, 2013, are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
- 5) Members/proxies should bring the enclosed Attendance Slip duly filled in and signed in terms of specimen signature lodged with the Company along with their copies of Annual Report for attending the Meeting. Members attending the Annual General Meeting are requested to bring with them DP & Client ID Numbers, Folio Numbers for dematerialized holdings and physical holdings respectively. The Company would accept only the Attendance Slip from a member actually attending the Meeting or from the person attending as a proxy under a valid proxy form registered with the Company not less than 48 hours before the commencement of the Meeting. Attendance Slips of members/valid proxies not personally present at the Meeting or relating to Proxies which are invalid will not be accepted from any other member/person.

Asian Hotels (East) Limited

- 6) In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
- 7) The Register of Members and the Share Transfer Books of the Company will remain closed from 27th July, 2019 to 5th August, 2019 (both days inclusive) for determining the name of members eligible for dividend on equity shares, if declared at the AGM.
- 8) Dividend on equity shares, when approved at the Meeting, will be paid/credited/dispensed within a period of 30 days from the date of declaration to those members :
 - a) whose names appear as beneficial owners as at the end of business hours on 26th July, 2019 in the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and
 - b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 26th July, 2019.
- 9) Members holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent, M/s. Karvy Fintech Private Ltd, "Karvy Selenium Tower B", Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 quoting their folio, any change in their registered address with pin code/mandate/bank details and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
- 10) All NRI members of the Company are hereby requested to get their Indian Postal addresses, e-mail ids and bank details with their NRO/NRE account nos. and PAN registered with their respective DPs/RTA of the Company, so as to facilitate to provide smooth, faster, cost effective and proper service to them by the Company.
- 11) The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the member's bank account through NECS/NEFT/RTGS/Direct Credit wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the members with bank details printed thereon as available in the Company's record.

In view of the above, all the members of the Company having their holding in Demat form are requested to get their latest postal addresses, e-mail ids and bank details, such as name of the bank, its address, A/c No, IFS Code and MICR No. etc., recorded with the respective DPs, so as to facilitate a smooth remittance of dividend by way of NECS/ECS/NEFT by the Company. Request is also made to the members having their shares in physical mode to get their latest postal addresses, e-mail ids and above cited bank account details recorded with Registrar & Share Transfer Agents of the Company by way of written request to letter duly signed.

- 12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in

electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company at its registered office address or Registrar & Share Transfer Agents, M/s. Karvy Fintech Private Limited at its address mentioned earlier in this Notice.

- 13) Pursuant to Section 72 of the Companies Act, 2013 members holding shares in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form viz. Form No. SH-13 can be obtained from the Registrar & Share Transfer Agents. Members desiring to avail this facility may send their Nomination Form duly filled in, to the Company at its registered office address or Registrar & Share Transfer Agents, M/s. Karvy Fintech Private Limited at its address mentioned earlier in this Notice by quoting their respective folio numbers. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14.
- 14) Members are requested to send all communications relating to shares and unclaimed dividends either to the Company at its registered office address or to the Registrar and Share Transfer Agent, M/s. Karvy Fintech Private Limited, at its address mentioned earlier in this Notice.
- 15) a) Members are hereby informed that pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, the Company has transferred on due dates, all unclaimed dividends upto the Financial Year 2010-11 to Investor Education and Protection Fund ("said Fund") established by the Central Government. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has uploaded the details of the unpaid and unclaimed amounts lying with the Company on the website of the Company (www.ahleast.com), and also on the website of the Ministry of Corporate Affairs (www.mca.gov.in).
- b) Unclaimed dividend for the FY 2011-12 will fall due for transfer to the said fund on 24th August, 2019. Those Members, who have not encashed their dividends for the FY 2011-12, are requested to claim it from the Company or the RTA of the Company. Those Members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the Company or the RTA of the Company.
- c) Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more on 23rd August, 2019 shall be transferred by the Company to Investor Education and Protection Fund Authority (IEPF). The Company has also written to the concerned Shareholders intimating them their particulars of the equity shares due for transfer. These details are also available on the Company's website (www.ahleast.com). No claim shall

Asian Hotels (East) Limited

lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application, details of which are available at www.iepf.gov.in. All correspondence should be addressed to the RTA viz. Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Tel.: 040-6716 2222; Fax: 040-6716 1553; Email: einward.ris@karvy.com and the Company viz. Asian Hotels (East) Limited, Mr. Soumya Saha, Hyatt Regency, Kolkata JA-1, Sector III, Salt Lake City, Kolkata 700 098, Tel : +91 33 2517 1009/1012, Fax no: +91 33 2354 8246, Email: soumyasaha@sarafhotels.com.

- 16) Members are requested not to carry any briefcase, carry bag, shopping bag etc. to the venue since these will not be allowed inside for security reasons. The Meeting is for members or their proxies only. Please avoid being accompanied by non-member/children. Members have to assist in carrying out security obligation practised in the hotel.
- 17) The Company is also in receipt of complaints from various members from time to time regarding non-receipt of Annual Report. Under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), duly amended the Company shall submit the annual report to the stock exchange not later than the day of commencement of dispatch to its shareholders. Hence, members may download the copy of full Annual Report of the Company from BSE & NSE website for their immediate reference and perusal.

Further, the Company is also maintaining a functional website in compliance with Regulation 46 of the Listing Regulations. Annual Report and other documents are available on the website of the Company www.ahleast.com for inspection.
- 18) It is also noticed that many members holding shares in physical mode are holding insignificant shares under multiple folios. In order to provide cost effective, faster and prompt service, all members concerned are requested under relevant regulation of the Listing Regulations to get their shareholding consolidated in one folio only and PAN of Bank Details should be uploaded.
- 19) Pursuant to the SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, the Company has stopped w.e.f. 1st April, 2019 processing and effecting transfer of securities (except in case of transmission or transposition of securities) in physical mode if such requests have been received on or after 1st April, 2019. In other words, to get the equity shares transferred on or after 1st April, 2019, such shares are to be held in dematerialized mode. Letters have been sent to all shareholders holding shares in physical mode informing them that the shares will be transferred only in dematerialized mode and therefore shareholders were requested to dematerialize their existing shares held in physical mode.
- 20) All documents, if any, referred to in the Notice including audited financial statements of the subsidiary companies will be available for inspection at the Company's registered office during normal business hours on working days (Monday to Friday) excluding

intervening public holidays between 11.00 a.m. to 1.00 p.m. Copies may be furnished on demand by the members.

- 21) Electronic copy of the Notice of the 12th Annual General Meeting of the Company inter-alia the process and manner of e-voting along with Attendance Slip and Proxy form is being sent to all the members whose email ids are registered with the Company/Depository Participants for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 22) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 23) The Register of Contracts or Arrangements in which the directors, if any, are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 24) Pursuant to Section 101 of the Companies Act, 2013 & Rule 18 of the Companies (Management and Administration) Rules, 2014, and Regulation 36 of the Listing Regulations, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. In view of the same the members who have not registered their e-mail addresses so far are requested to support Green Initiative and register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 25) A brief resume of the director proposed to be appointed or re-appointed, nature of his expertise in functional areas, disclosure of relationships between directors inter-se, name of entities in which he also holds the directorship and the membership of Committees of the Board and his shareholding in the Company pursuant to Regulation 36 of the Listing Regulations with respect to the Director seeking appointment or re-appointment at the forthcoming Annual General Meeting forms integral part of the notice and is given herein below:-

DETAILS OF DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (LISTING REGULATIONS):

Mr. Radhe Shyam Saraf (DIN: 00017962) aged about 89 years is an industrialist having rich business experience in hotel and hospitality sector. He is the founding promoter of Asian Hotels (East) Limited. He is a name to be reckoned within the hotel industry in India. He was the founding Chairman of former Asian Hotels Limited and is also the Chairman of Saraf Hotel Enterprises.

Mr. Radhe Shyam Saraf holds 32,84,680 (Nos.) (28.49 %) equity shares of the Company.

He is not a director in any other listed entity & accordingly does not have any membership of any Board committee of the listed entity.

Asian Hotels (East) Limited

Except Mr. Radhe Shyam Saraf, Mr. Arun K Saraf and Mr. Umesh Saraf, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this item.

26) Voting through electronic means:

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Listing Regulations and Secretarial Standard-2 on General Meetings, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- ii. The facility for voting through polling paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- iii. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- iv. The Company has engaged the services of Karvy Fintech Private Limited ("Karvy") as the Agency to provide remote e-voting facility.
- v. The Board of Directors of the Company has appointed Mr. Abhijit Majumdar, (CP No. 18995), Practicing Company Secretary as Scrutinizer to scrutinize the polling and remote e-voting process in a fair and transparent manner.
- vi. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 26th July, 2019.
- vii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 26th July, 2019 only shall be entitled to avail the facility of remote e-voting/polling.
- viii. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 26th July, 2019, may obtain the User ID and password in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No./DP ID & Client ID, the member may send SMS:MYEPWD <space> E-Voting Event Number + Folio No. or DP ID & Client ID to 9212993399
Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890

- b. If e-mail address or mobile number of the member is registered against Folio No./DP ID & Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID & Client ID and PAN to generate a password.
 - c. Member may call Karvy's toll free number 1-800-3454-001.
 - d. Member may send an e-mail request to evoting@karvy.com
 - e. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- ix. The remote e-voting facility will be available during the following period:
- Commencement of remote e-voting: From 9.00 a.m. on Friday, 2nd August, 2019.
- End of remote e-voting : Up to 5.00 p.m. on Sunday, 4th August, 2019.
- The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
- x. The Scrutinizer, after scrutinizing the votes cast at the meeting (Polling) and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman of the meeting. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.ahleast.com and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.
- xi. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. 5th August, 2019.
- xii. Instructions and other information relating to remote e-voting:
1. A. In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:
 - a. Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - b. Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number + Folio No. or DP ID & Client ID will be your User ID. However, if you are already registered with Karvy for remote e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.

Asian Hotels (East) Limited

- c. After entering these details appropriately, click on "LOGIN".
- d. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with atleast one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- e. You need to login again with the new credentials.
- f. On successful login, the system will prompt you to select the E-Voting Event Number for Asian Hotels (East) Limited.
- g. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 26th July, 2019 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- h. Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- i. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- j. You may then cast your vote by selecting an appropriate option and click on "Submit".
- k. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your

vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

- I. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: majumdar_abhijeet@yahoo.co.in. They may also upload the same in the remote e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- B. In case a member receives physical copy of the Notice by post [for members whose e-mail addresses are not registered with the Company/Depository Participant(s)]:
 - a. User ID and initial password - These will be sent separately.
 - b. Please follow all steps from Sr. No. (a) to (I) as mentioned in (A) above, to cast your vote.
- 2. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
- 3. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

A Road Map along with prominent landmark for easy location to reach the venue of Annual General Meeting is annexed to this notice.

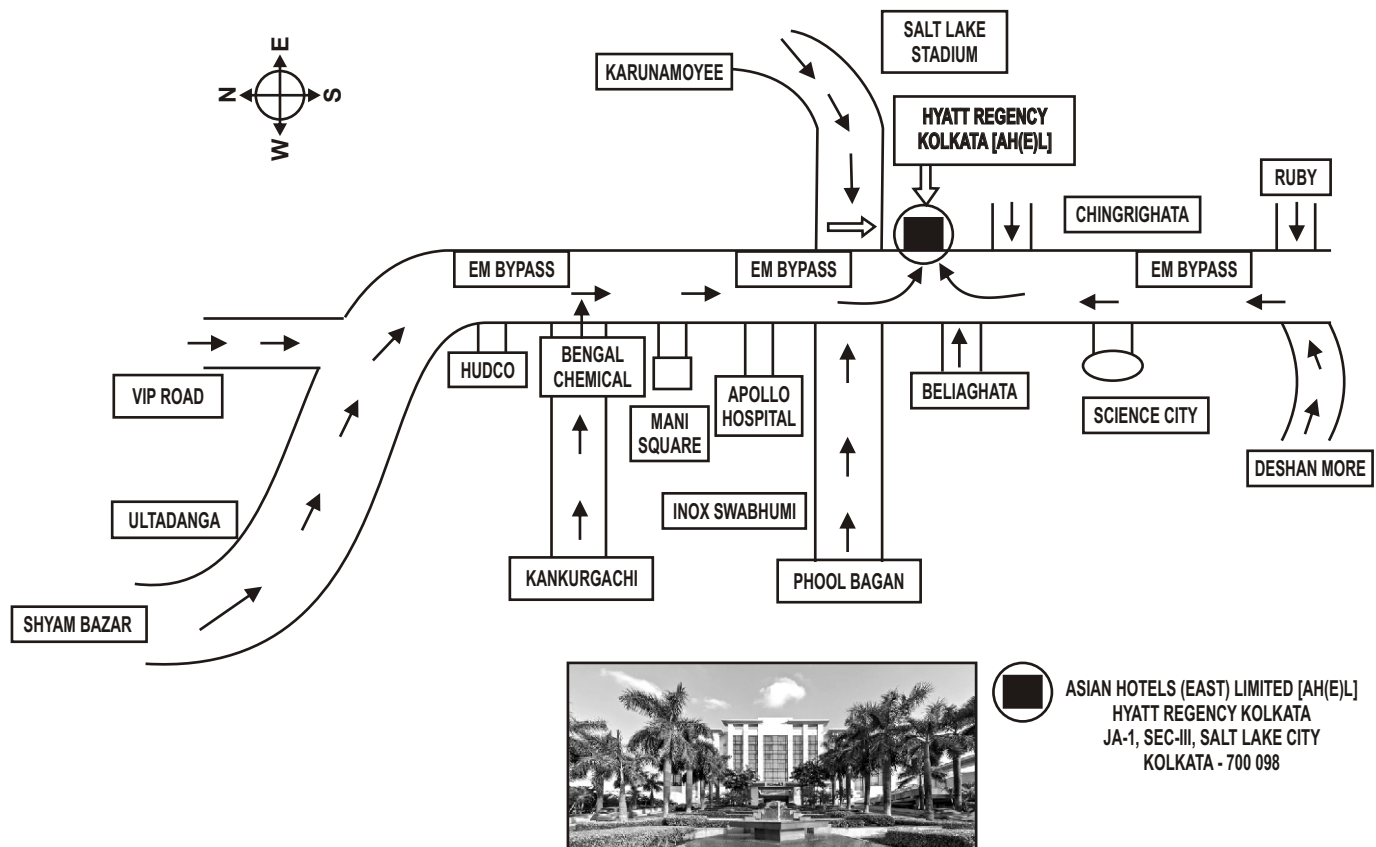
Registered Office:
Hyatt Regency Kolkata
JA-1, Sector-III, Salt Lake City
Kolkata - 700 098, West Bengal, Indi
Tel :033-2517 1009/1012
Fax : 033-2335 8246
Website: www.ahleast.com
CIN: L15122WB2007PLC162762

By Order of the Board of Directors

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

10th May, 2019

Road map of the venue of 12th AGM



Asian Hotels (East) Limited

CIN: L15122WB2007PLC162762

Registered Office: Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata - 700 098

Phone: 033 2517-1009/1012, Fax: 033 2335 8246, Website: www.ahleast.com/E-mail: investorrelations@ahleast.com

12th AGM – 5th August, 2019

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :

Registered address :

E-mail ID :

Folio No./Client ID : DP ID

I/We, being the member(s) of shares of Asian Hotels (East) Limited, hereby appoint:

1. Name : E-mail ID :

Address : Signature :

, or failing him/her

2. Name : E-mail ID :

Address : Signature :

, or failing him/her

3. Name : E-mail ID :

Address : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Monday, 5th August, 2019 at 4:00 p.m. at Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata-700 098, West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolutions	Vote (See Note 4) (Please mention no. of shares)		
		For	Against	Abstain
	Ordinary Business			
1. a.	Adoption of the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2019, the Reports of the Board of Directors and Auditors thereon.			
b.	Adoption of Audited Consolidated Financial Statements of the Company for the financial year ended 31 st March, 2019 and the Report of Auditors thereon.			
2.	Declaration of dividend on equity shares for the financial year ended 31 st March, 2019.			
3.	Appointment of a Director in place of Mr. Radhe Shyam Saraf (DIN : 00017962), who retires by rotation and being eligible offers himself for re-appointment.			

Signed this day of 2019.

Signature of the member:

Signature of the proxy holder(s):

Affix
15 paisa
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For', 'Against' or Abstain column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

BLANK