



IHL YAT T

# **Asian Hotels (East) Limited**

6th Annual Report and Accounts 2012-13



Hyatt Regency, Kolkata



Hyatt Regency, Chennai

## BOARD OF DIRECTORS

Radhe Shyam Saraf	— Chairman
Arun K Saraf	— Joint Managing Director
Umesh Saraf	— Joint Managing Director
Amal Ch Chakrabortti	— Independent Director
Rama Shankar Jhawar	— Independent Director
Padam K Khaitan	— Independent Director
Ramesh K Chokhani	— Independent Director

## CHIEF LEGAL OFFICER & COMPANY SECRETARY

Saumen Chattopadhyay

## AUDITORS

S. S. Kothari Mehta & Co.  
Chartered Accountants  
21, Lansdowne Place  
4th Floor, Kolkata - 700 029, W.B., India

## BANKERS

Standard Chartered Bank  
IDBI Bank Limited  
State Bank of India

## REGISTERED OFFICE

Hyatt Regency Kolkata  
JA-1, Sector-III, Salt Lake City  
Kolkata - 700 098, W. B., India  
Tel. No. 033-2335 1234, 2517 1009/1012  
Fax No. 033-2335 8246  
www.ahleast.com

## REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited  
17-24, Vittal Rao Nagar, Madhapur  
Hyderabad - 500 081  
Andhra Pradesh, India

## CONTENTS

Notice	2-5
Directors' Report along with following annexure :	6-9
Annexure-A, Particulars as per the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988	10
Annexure-B, Management Discussion and Analysis	11-12
Annexure-C, Report on Corporate Governance	13-22
Independent Auditors' Report	23-25
Accounts – Asian Hotels (East) Limited (Standalone)	26-44
Statement pursuant to Section 212 of the Companies Act, 1956	45-46
Independent Auditors' Report on Consolidated Financial Statement of Asian Hotels (East) Limited and its Subsidiary Companies	47
Consolidated Accounts	48-71
Notes	72
Green Initiative Letter and Request Registration Form	73
Blank Page	74
Proxy Form & Attendance Slip	75
Blank Page	76

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 6TH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT REGENCY BALL ROOM, HYATT REGENCY KOLKATA, JA-1, SECTOR-III, SALT LAKE CITY, KOLKATA 700 098, WEST BENGAL, ON THURSDAY, THE 8TH AUGUST, 2013 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS :-**

### ORDINARY BUSINESS:

01. To consider and adopt the audited Balance Sheet as at 31st March 2013, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
02. To declare a dividend on equity shares.
03. To appoint a Director in place of Mr. R. S. Jhavar, who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint the Statutory Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS:

05. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. Ramesh Kumar Chokhani, who was appointed as an Additional Director of the Company, holds office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
06. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Mr. A.C.Chakrabortti, who was appointed as an Additional Director of the Company, holds office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### Registered Office:

Hyatt Regency Kolkata  
JA-1, Sector- III  
Salt Lake City  
Kolkata - 700 098  
**23rd May 2013**

By Order of the Board of Directors

**Saumen Chattopadhyay**  
Chief Legal Officer &  
Company Secretary

### Notes:

- (01) An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
- (02) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (03) Members/Proxies should bring the enclosed Attendance Slip duly filled in and signed in terms of specimen signature lodged with the Company alongwith 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.
- (04) Corporate Members intending to send their authorized representatives under Section 187 of the Companies Act, 1956, are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
- (05) In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
- (06) The Register of Members and the Share Transfer Books of the Company will remain closed from 1st August 2013 to 8th August 2013 (both days inclusive).
- (07) Dividend on equity shares, when approved at the Meeting, will be paid/credited/dispatched on or after 12th August 2013 to those members.
  - (a) whose names appear as beneficial owners as at the end of business hours on 31st July 2013 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 31st July 2013.
- (08) Members holding shares in physical form are requested to notify to the Company's Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad-500 081 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.

## *Asian Hotels (East) Limited*

- (09) As part of "Green Initiative" in Corporate Governance, Ministry of Corporate Affairs (MCA) vide Circulars Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April 2011 has permitted paperless compliances by recognizing communication through electronic mode to shareholders under the Companies Act, 1956. In line with the Ministry's direction your Company intends to send all future communication to members by e-mail including notices, annual report etc., to the e-mail address you have already registered with your respective Depository Participants (DPs). In case you are yet to register your e-mail address, please update the same with your DP. Members holding shares in physical form may register their e-mail address with the Registrar & Share Transfer Agent (RTA) viz. Karvy Computershare Private Limited., Hyderabad of the Company. If the e-mail addresses are already registered with the respective DPs/RTA of the Company by the shareholders, it is requested to ensure that registered e-mail id are current, operative and all the addressed correspondences are received through it.
- (10) All NRI Members of the Company are hereby requested to get their Indian Postal addresses, e-mail ids and bank details with their NRI/NRE account nos. 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 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/NEFT by the Company. Request is also made to the shareholders having their shares in physical mode to get their latest postal addresses, e-mail ids and above cited bank account details recorded with RTA 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 Depositories Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
- (13) Members holding shares in physical form can avail the facility of nomination in respect of shares held by them pursuant to the amendment in the Companies Act, 1956. The prescribed Form (Form 2B) 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 or its Registrar & Share Transfer Agents by quoting their respective folio numbers.
- (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 Computershare Private Limited, at its address mentioned earlier in this Notice.
- (15) Members are requested to encash their Dividend Warrants on receipt, as Dividend remaining unclaimed for 7 years are required to be transferred to the Investor Education & Protection Fund established by the Central Government under Section 205C of the Companies Act, 1956. Once unclaimed dividends are transferred to this fund, Members will not be entitled to claim these dividends.
- (16) Members are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons. The Meeting is for members or their proxies only. Please avoid being accompanied by non-member/children.
- (17) The Company is also in receipt of complaints from various shareholders from time to time regarding non-receipt of Annual Report. In this connection, kind attention of the shareholders is drawn towards SEBI's Circular NO. Cir/CFD/DCR/5/2010 dated 07.05.2010 read with amended Clause 31 of the Listing Agreement whereby filing of the soft copy of the full Annual Report to BSE by every listed company is made mandatory and in turn BSE is putting that Annual Report on its website for the reference and perusal of all the interested members. Hence, Members may download the copy of full Annual Report of the Company from BSE website for their immediate reference and perusal.
- Further, the Company is also maintaining a functional website in compliance with Clause 54 of the Listing Agreement entered with the stock exchanges. Annual Report and other documents are available on the website of the Company 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 clause of Listing Agreement to get their shareholding consolidated in one folio only.
- (19) The detailed annual accounts of the subsidiary companies are available for inspection to the members of the Company and subsidiary companies at the Registered Office of the Company and respective subsidiary companies on week 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.
- (20) Disclosure pursuant to Clause 49(IV)(G) of the Listing Agreement with the Stock Exchange in respect to the Director seeking appointment and re-appointment at the forthcoming AGM is given herein below:

### **Mr. Rama Shankar Jhavar**

Mr. R.S. Jhavar is a Chartered Accountant and has over 51 years of experience in financial and other aspects of corporate management in diverse fields holding senior position in finance and general management. Mr. Jhavar has acquired considerable experience in tea industry and was the Chairman of Indian Tea Association for 2 consecutive terms and was also the Vice Chairman of the Tea Board.

Mr. R. S. Jhavar is on the Board of the following Companies:

- |  |                                     |
|--|-------------------------------------|
| 1) Williamson Magor & Co. Limited        | 5) Dufflaghur Investments Limited   |
| 2) Williamson Financial Services Limited | 6) Queens Park Property Co. Ltd.    |
| 3) The Standard Batteries Limited        | 7) Cosepa Fiscal Industries Limited |
| 4) Metals Centre Limited                 |                                     |

## *Asian Hotels (East) Limited*

Mr. R. S. Jhwar is holding share capital of 2% or more in Kanta Management Services Limited.

He is the Chairman/Member in the following Committees:

Chairman : Shareholder's Grievances Committee of Williamson Financial Services Limited

Member : Audit Committee of Williamson Financial Services Limited  
Remuneration Committee of Williamson Financial Services Limited  
Remuneration Committee of The Standard Batteries Limited

Mr. R. S. Jhwar, aged about 74 years, does not have any equity shares of the Company.

Except Mr. R.S. Jhwar, none of the other Directors may be deemed to be concerned or interested in this item.

### **Mr. Ramesh Kumar Chokhani**

Mr. Ramesh Kumar Chokhani is a Chartered Accountant and has 11 years of experience as a CA professional in the field of auditing, taxation, project management etc. He is currently a partner at M/s Chokhani & Associates, Kolkata.

Mr. Ramesh Kumar Chokhani is on the Board of the following Companies:

- 1) Disha e-Consultancy Services Private Limited
- 2) Disha Developers Private Limited
- 3) Secured Advisory Services Private Limited

He is holding share capital of 2% or more in Disha e-Consultancy Services Private Limited and Disha Developers Private Limited.

Mr. Ramesh Kumar Chokhani, aged about 38 years, does not have any equity shares of the Company.

Except Mr. Ramesh Kumar Chokhani, none of the other Directors may be deemed to be concerned or interested in this item.

### **Mr. A.C. Chakrabortti**

Mr. A.C. Chakrabortti is the fellow member of the Institute of Chartered Accountants in England & Wales and India. He is the former Sr. Partner of M/s. S R Batliboi & Co., Chartered Accountants, Chairman of Ernst & Young, President of ICAI and a Governing Committee Member of International Federation of Accountants. He is also the Chairman of Peerless Funds Management Co. Limited, Grindwell Norton Limited and also on the Boards of numerous prominent companies. He is also the Trustee and the Governing Committee Member of three public/private schools.

Mr. A.C. Chakrabortti is on the Board of the following Companies:

- 1) La Opala Glass Limited
- 2) Peerless Funds Management Co. Limited
- 3) Peerless General Finance & Investment Company Limited
- 4) Rasoi Industries Limited
- 5) Texmaco Rail & Engineering Limited
- 6) Chandras' Chemicals Enterprise Pvt. Limited
- 7) Denso India Limited
- 8) Madhya Pradesh Madhya Kshetra Vidyut Vitran Co. Limited
- 9) M.P. Birla Group of Companies

He is the Chairman/Member in the following Committees:

Chairman : Audit Committee of Peerless General Finance & Investment Company Limited  
Audit Committee of Denso India Limited  
Audit Committee of Texmaco Rail & Engineering Limited

Member : Audit Committee of Madhya Pradesh Madhya Kshetra Vidyut Vitran Co. Limited  
Audit Committee of La Opala Glass Limited

Mr. A.C. Chakrabortti, aged about 82 years, is not holding any share capital of 2% or more in any Company.

Except Mr. A.C. Chakrabortti, none of the other Directors may be deemed to be concerned or interested in this item.

### **Registered Office:**

Hyatt Regency Kolkata  
JA-1, Sector- III  
Salt Lake City  
Kolkata - 700 098  
**23rd May 2013**

By Order of the Board of Directors

**Saumen Chattopadhyay**  
Chief Legal Officer &  
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 05**

Mr. Ramesh Kumar Chokhani was appointed as an Additional Director of the Company on 22nd May 2013. Pursuant to Section 260 of the Companies Act, 1956, Mr. Ramesh Kumar Chokhani holds the office of a Director up to the date of the ensuing Annual General Meeting. Notice in writing along with a deposit of Rs.500/- (Rupees five hundred only) has been received from a member as required under Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. Ramesh Kumar Chokhani to the office of Director.

Considering the background, competence and experience of Mr. Ramesh Kumar Chokhani in the fields particularly pertaining to the auditing, taxation, project management etc, your Directors considered it to be in the interest of the Company to appoint him as a Director, retiring by rotation as per the provisions of the Companies Act, 1956.

Mr. Ramesh Kumar Chokhani is interested in the Resolution.

None of the remaining Directors of the Company is concerned or interested in the Resolution.

Your Board recommends the Ordinary Resolution for your approval.

**Item No. 06**

Mr. A.C. Chakrabortti was appointed as an Additional Director of the Company on 23rd May 2013. Pursuant to Section 260 of the Companies Act, 1956, Mr. A.C. Chakrabortti holds the office of a Director up to the date of the ensuing Annual General Meeting. Notices in writing along with a deposit of Rs.500/- (Rupees five hundred only) have been received from a member as required under Section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Mr. A.C. Chakrabortti to the office of Director.

Considering the background, competence and wide experience of Mr. A.C. Chakrabortti in diverse fields particularly pertaining to the accounts, finance and taxation, your Directors considered it to be in the interest of the Company to appoint him as a Director, retiring by rotation as per the provisions of the Companies Act, 1956.

Mr. A.C. Chakrabortti is interested in the Resolution.

None of the remaining Directors of the Company is concerned or interested in the Resolution.

Your Board recommends the Ordinary Resolution for your approval.

**Registered Office:**

Hyatt Regency Kolkata  
JA-1, Sector- III  
Salt Lake City  
Kolkata - 700 098  
**23rd May 2013**

By Order of the Board of Directors

**Saumen Chattopadhyay**  
Chief Legal Officer &  
Company Secretary

## **DIRECTORS' REPORT**

### **To the Members,**

Your Directors take pleasure in presenting their 6th Annual Report on the business and operation of the Company together with the audited annual accounts of the Company for the year ended 31st March 2013.

### **FINANCIAL HIGHLIGHTS**

Your Company's performance during the year under review is summarised as under:

<b>Particulars</b>	<b>Standalone (Rs. in lacs)</b>		<b>Consolidated (Rs. in lacs)</b>	
	<b>2012-13</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2011-12</b>
Total Revenue	11398.88	10199.29	17527.57	10199.31
Profit before Depreciation and Tax Expenses	4536.39	4284.92	2663.53	4277.18
Less: Depreciation	654.31	685.04	1868.47	685.04
Profit Before Tax	3882.08	3599.88	795.06	3592.14
Less: Current Tax	563.84	801.68	563.84	801.58
Deferred Tax	99.51	(5.52)	99.51	(5.52)
Others	45.52	—	45.92	—
Profit After Tax before adjustment of Minority Interest	3,173.21	2,803.72	85.79	2796.08
Add: Share of loss transferred to Minority Interest	—	—	983.82	—
Profit for the year	3173.21	2803.72	1069.61	2796.08
Add: Balance in Statement of Profit & Loss	14198.26	12273.25	14391.44	12474.08
Less: Transferred to General Reserve	317.32	280.37	317.32	280.37
Proposed Dividend on Equity Shares	514.82	514.82	514.82	514.83
Tax on Dividend	83.52	83.52	83.52	83.52
Closing Balance	16455.81	14198.26	14545.39	14391.44

### **STAND-ALONE PERFORMANCE**

- Total Revenue during the financial year 2012-13 increased to Rs. 11398.88 lacs as against Rs. 10199.29 lacs during the financial year 2011-12.
- Profit Before Tax during the financial year 2012-13 increased to Rs. 3882.08 lacs as against Rs. 3599.88 lacs during the financial year 2011-12.
- Profit for the year is Rs. 3173.21 lacs during the financial year 2012-13 as compared to Rs. 2803.72 lacs during the financial year 2011-12.

### **CONSOLIDATED PERFORMANCE**

- Consolidated Total Revenue during the financial year 2012-13 increased to Rs. 17527.57 lacs as against Rs. 10199.31 lacs during the financial year 2011-12.
- Profit Before Tax during the financial year 2012-13 is Rs. 795.05 lacs as against Rs. 3592.14 lacs during the financial year 2011-12.
- Profit for the year is Rs. 1069.61 lacs during the financial year 2012-13 as compared to Rs. 2796.08 lacs during the financial year 2011-12.

### **APPROPRIATIONS**

During the financial year 2012-13 an amount of Rs. 317.32 lacs has been appropriated to General Reserve (Rs. 280.37 lacs last year).



## *Asian Hotels (East) Limited*

### **DIVIDEND**

The Board of Directors are pleased to recommend a dividend @ 45%, i.e. Rs.4.50/- per equity share (previous year Rs. 4.50/- per equity share) on 1,14,40,585 equity shares of Rs. 10/- each for the year ended 31st March 2013. The total cost to the Company on account of dividend payment will be Rs. 598.34 lacs including dividend distribution tax of Rs. 83.52 lacs.

### **BUSINESS OVERVIEW**

The Board is pleased to inform that during the financial year 2012-13 the overall hotel's revenue was positive and with effective cost control & effective working capital management, the Company maintained its performance which has already been highlighted above and in the Management Discussion and Analysis Report.

During the financial year, the hotel were hosts for major events that happened in the city including the IMME 2012, YPO "Roll Cal Roll", Indian Science Congress, Airport authority of India, IPL Opening Ceremony and Medical Conferences. We had the honor of having Dr. Manmohan Singh, Hon'ble Prime Minister of India, stay over with us in January 2013 as a part of the Indian Science Congress meet.

Hyatt Regency Kolkata achieved a Net Promoter Score (NPS) of 56 Percentile in our customer satisfaction survey - Medalia. The survey is based on the question of "Likelihood to Recommend the hotel" and is based on ratings between the scale of 1 to 10, where 10 indicates the maximum positive and rating 1 is for the maximum negative. Ratings by the guests on the Hotel are satisfactory.

Your Board is constantly on the look out for offering the highest consistency in quality, service and setting new standards to make the guests feel at home. Adequate internal controls have been laid down by the Company to safeguard and protect its assets as well as to improve the overall productivity of its operations and even steps were taken by your Board during the financial year 2012-13 to conduct a complete Insurance Audit in order to evaluate the risk involved and the right mix of insurance coverage to be taken for ensuring safety, security and quality.

### **COMPLIANCE WITH NOTIFICATION NO.S.O.301(E) DATED 8TH FEBRUARY 2011 ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS UNDER SECTION 211(3) OF THE COMPANIES ACT, 1956**

Since Central Government had issued a Notification No. S.O. 301 (E) dated 8th February, 2011 in exercise of the powers conferred by Section 211(3) of the Companies Act, 1956 granting general exemption to some specified class of companies, including hotel companies, from disclosing certain information in their Statement of Profit and Loss as required under Part-II of Schedule VI of the Companies Act, 1956 subject to fulfillment of few conditions, your Company has duly complied with all conditions of the notification to seek general exemption under Section 211(4) of the Companies Act, 1956, paras 3(i)(a) and 3(ii)(d) of Part II of Schedule VI of the Companies Act, 1956 dealing with the disclosure of quantitative details of turnover of each class of goods, opening and closing stock, purchases, production and consumption of raw material in the financial statements for the financial year ended 31st March 2013. Your Board has passed necessary resolution to comply with one of the conditions of the notification for the same.

### **SUBSIDIARY COMPANIES**

The Company has two subsidiaries, namely GJS Hotels Limited, a wholly owned and a material non-listed Indian Subsidiary and Regency Convention Centre and Hotels Limited and one step down subsidiary namely Robust Hotels Private Limited.

During the year, GJS Hotels Limited, wholly owned subsidiary of the Company, has exercised the option to convert Cumulative Redeemable and Optionally Convertible Preference Shares of Robust Hotels Private Limited. Consequently, the Board of Directors of Robust Hotels Private Limited at their meeting held on 26th July 2012 issued and allotted 6,39,32,769 equity shares of Rs.10/- each at a conversion price of Rs. 32/- per Equity Shares to GJS Hotels Limited. Subsequent to this allotment, GJS Hotels Limited became holding company of the Robust Hotels Private Limited and consequently Robust Hotels Private Limited became step down subsidiary of your Company. Robust Hotels Private Limited is the owner of Hyatt Regency Chennai, a 5 Star premium business hotel located in Chennai and during the year under review, the Company provided a corporate guarantee to IDBI bank, Mumbai to secure credit facilities of Rs.240 crores availed by Robust Hotels Private Limited, Chennai.

The Ministry of Corporate Affairs, New Delhi has issued a General Circular No: 2 /2011 dated 8th February 2011 (said Circular) granting general exemption from complying with the provisions of Section 212 and the General Exemption is subject to certain conditions which inter alia requires the Board of Directors of the Company to give consent, by passing a Board Resolution, for not attaching the Balance Sheet of the subsidiary/ies concerned. Accordingly, your Directors have passed necessary Board Resolution to avail the above general exemption. The Consolidated Financial Statements of holding company and all the subsidiaries, prepared in strict compliance with applicable accounting standards and Listing Agreement as prescribed by the Securities and Exchange Board of India (SEBI) and duly audited by Statutory Auditors of the Company have been presented in the Annual Report along with the prescribed Financial Information in respect of the subsidiary companies. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to the Members of the Company as well as Members of subsidiary companies who may be interested in obtaining the same at any point of time. The Annual Accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company as well as that of the respective subsidiary companies. Hard copy of details of accounts of subsidiaries shall be made available to the Members on demand.

## *Asian Hotels (East) Limited*

### **AMALGAMATION**

The Board of Director of the Company at its meeting held on 23rd May 2013, in consideration of SEBI Circular Nos. CIR/CFD/DIL/5/2013 and CIR/CFD/DIL/8/2013 dated 4th February 2013 and 21st May 2013 respectively, approved the amalgamation of Forex Finance Private Limited, a Promoter Body Corporate with the Company with effect from 1st April 2012 subject to approval of shareholder and other appropriate regulatory authorities. The scheme has been considered to be in the interest of the shareholders of both the companies.

It was felt that the proposed amalgamation will result in the formation of a larger and stronger Company having a core operating business with the backing and leverage of a sound financial asset base which is conveniently held and monitored as an incidental part of the entire undertaking and activities of the amalgamated entity without detracting from the operating business or diluting focus thereon.

Further, your Board thinks that the amalgamation will enable appropriate consolidation of the activities of both the companies, with pooling and more efficient utilization of resources, greater economies of scale, reduction in overheads and expenses and improvement in various operating parameters.

Post amalgamation, Robust Hotels Private Limited, owner of Hyatt Regency Chennai, will be a wholly owned subsidiary of the Company; partially by having direct holding and balance through GJS Hotels Limited (wholly owned subsidiary of the Company) and there will be two branded operating 5 star deluxe hotels namely Hyatt Regency Kolkata and Hyatt Regency Chennai under the control of your Company. It will bring more room inventory under the control of the Company and thus help its valuation in case of any future issue of shares. The Company is in the process of obtaining regulatory approvals for the amalgamation.

### **AUDITORS & AUDITORS' REPORT**

M/s S.S. Kothari Mehta & Co., Chartered Accountants, Kolkata, the present auditors of the Company, retires at the forthcoming Annual General Meeting and is eligible for re-appointment as auditors. Members are requested to re-appoint them and fix their remuneration. The Company has received confirmation from the firm to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and they are not disqualified for reappointment within the meaning of Section 226 of the said Act. The Audit Committee of the Board has recommended their re-appointment.

The notes on accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

During the year under review, Internal Audit of the Company has been carried out by M/s. KSMN & Company, Chartered Accountants, Kolkata. Their findings have been satisfactory.

Further, Secretarial Audit has been carried by a firm of Company Secretaries. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, Depositories Act, 1996, Listing Agreements with the Stock Exchanges, Securities Contracts (Regulation) Act, 1956 and all the Regulations and Guidelines of SEBI as applicable to the Company, including the SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 and the SEBI (Prohibitions of Insider Trading) Regulations, 1992.

### **BOARD OF DIRECTORS**

Mr. R.S.Jhawar retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

Post 31st March 2013, Mr. S.S. Bhandari, the Independent Director of the Company has resigned from the Directorship of the Company w.e.f 11th April 2013. The Board expresses its appreciation for the valuable services rendered and matured advice by Mr. S.S. Bhandari during his association with the Company.

Post 31st March 2013, Mr. Ramesh Kumar Chokhani and Mr. A.C. Chakrabortti have been appointed as Additional Directors of the Company w.e.f 22nd May 2013 and 23rd May 2013 respectively. Mr. Ramesh Kumar Chokhani and Mr. A.C. Chakrabortti hold office up to the ensuing Annual General Meeting of the Company. Notices pursuant to Section 257 of the Act have been received from some members proposing Mr. Ramesh Kumar Chokhani and Mr. A.C. Chakrabortti for appointment as Directors of the Company.

Profile of the Directors seeking appointment/re-appointment as required to be given in terms of Clause 49(IV)(G) of the Listing Agreement forms part of the notice convening the ensuing Annual General Meeting of the Company.

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

Pursuant to Section 217(2AA) of the Companies Act, 1956 your Directors confirm as under:

- that in the preparation of annual accounts for the year ended 31st March 2013, the applicable Accounting Standards have been followed along with proper explanation relating to materials departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and pursuant 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 the financial year;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the annual accounts on a going concern basis.

## *Asian Hotels (East) Limited*

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

The information required pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, pertaining to conservation of energy, technology absorption, and foreign exchange earnings and outgo, to the extent possible in the opinion of your Directors, is annexed hereto being Annexure-A and forming part of this Report.

The Company's earnings and outgo in foreign exchange for the financial year under review were Rs. 3485.34 lacs/ Rs. 884.98 lacs respectively.

### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are required to be set out in the Director's Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any Member interested in obtaining such particulars may write to the Chief Legal Officer & Company Secretary at the Registered Office of the Company.

### **MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Report on Management Discussion and Analysis Report as Annexure-B and Corporate Governance as Annexure-C and Compliance Certificate on Corporate Governance are annexed to this Report.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is associated with charitable and social activities and thereby playing a pro-active role in the socio-economic growth. Hyatt Regency Kolkata encourages local non-profits for various environmental awareness programs. With few NGOs of the city, Hyatt Regency Kolkata during the financial year had participated in activities in the localities and maintained its Corporate Social Responsibility (CSR) vision. Hyatt in partnership with NEWS in the financial year 2012-13, developed a community participative model for scientific management of municipal solid wastes in East Kolkata Wetlands. There is a dedicated 'Green Team' which runs these regular events and interacts with the local people in the adjoining areas for development and awareness. Also the hotel initiated internal activities to keep its employees & guests engaged with the CSR vision-Earth Hour, Green board, Best of waste activity & Earth Day.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation towards all associates including customers, the Government of India, Government of West Bengal, Government Agencies, Hyatt International Corporation, U.S.A., Bankers, Suppliers, Shareholders, Employees and others who have reposed their confidence in the Company.

For and on behalf of the Board of Directors

Place: Kolkata  
23rd May 2013

**Umesh Saraf**  
Joint Managing Director

**R. S. Jhavar**  
Director

**ANNEXURE - A FORMING PART OF DIRECTORS' REPORT**

**PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988**

**A) CONSERVATION OF ENERGY**

<b>Sl. No.</b>	<b>Energy Conservation measures taken during the year 2012-13</b>	<b>Impact (savings in Rupees per annum)</b>
1.	Installation of LED bulbs in all guest rooms, guest room corridors and maximum public areas.	Rs. 40,10,077/- savings achieved in 2012 - 13 compared to actual consumption of 2011-12.

**B) TECHNOLOGY ABSORPTION**

In the opinion of the Board, the required particulars, pertaining to technology absorption in items of Rule 2 of the Companies (Disclosures of Particulars in the Report of Directors) Rules, 1988, are not applicable as hotel forms part of the service industry and the Company does not have any manufacturing operations.

---

## **ANNEXURE - B FORMING PART OF DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE, DEVELOPMENT, OPPORTUNITIES AND OUTLOOK**

The slowdown of Indian Economy and the subdued business sentiment have led to stagnant occupancy rates and hotels have been unable to increase their tariffs. Immediate term growth remains clouded with an uncertain economy impacting demand even as lumpy supply additions occur. In the wake of continued weakness in room business, we are focusing on non-room revenue segments like Food & Beverage (F&B) and MICE (Meetings, Incentives, Conferences and Exhibitions), to mitigate the impact. The F&B segment has been witnessing healthy demand. Outlook for Kolkata market remains positive as it is anticipated that the city's hotel market will maintain its occupancy.

### **RISKS, CONCERNS AND THREATS**

Your Company has two operating hotels namely Hyatt Regency Kolkata & Hyatt Regency Chennai operating in the top market segment in Kolkata and Chennai. We have experienced a flat market for last 2 years but your hotels have been able to increase revenue of past year where as the other hotel companies have remained flat. We will be looking for opportunities in other markets and segments and diversify our revenue streams. Rising cost will be adding to the pressure on profitability and energy costs too may go up.

### **SEGMENTWISE PERFORMANCE**

The Company operates in the only segment i.e., hoteliering

### **FINANCIAL AND OPERATING PERFORMANCE**

#### **Standalone Financials**

##### **Revenue**

Total Revenue during the financial year 2012-13 increased to Rs. 11398.88 lacs as against Rs. 10199.29 lacs during the financial year 2011-12.

##### **Profit Before Tax (PBT)**

Profit Before Tax during the financial year 2012-13 increased to Rs. 3882.08 lacs as against Rs. 3599.88 lacs during the financial year 2011-12.

##### **Profit for the year**

Profit for the year is Rs. 3173.21 lacs during the financial year 2012-13 as compared to Rs. 2803.72 lacs during the financial year 2011-12.

#### **Consolidated Financials**

The current year results include the results of the 4 companies including 2 subsidiaries and 1 step down subsidiary. These have been prepared under historical cost convention accrual basis to comply in all material respect with the mandatory accounting standards notified by the Companies Accounting Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

##### **Revenue**

Consolidated Total Revenue during the financial year 2012-13 increased to Rs. 17527.57 lacs as against Rs. 10199.31 lacs during the financial year 2011-12.

##### **Profit Before Tax (PBT)**

Profit Before Tax during the financial year 2012-13 is Rs. 795.05 lacs as against Rs. 3592.14 lacs during the financial year 2011-12.

##### **Profit for the year**

Profit for the year is Rs. 1069.61 lacs during the financial year 2012-13 as compared to Rs. 2796.08 lacs during the financial year 2011-12.

##### **Net Worth**

The net worth in the current year stands at Rs. 81794.12 Lacs as compared to Rs. 79219.25 Lacs in the previous year.

### **EFFICIENT INTERNAL CONTROL SYSTEM**

Adequate internal controls have been laid down by the Company to safeguard and protect its assets as well as to improve the overall productivity of its operations. The Internal Auditor carries out in-depth internal audits for each department of Hotel Hyatt Regency Kolkata. The detailed process of

## *Asian Hotels (East) Limited*

review not only ensures reliability of control systems and legal compliances with applicable legislation, defined policies and processes but also reviews efficiency of systems and ensures safeguarding of tangible and intangible assets. The Audit Committee of the Board reviews the findings of the Internal Auditor and closely monitors the implementation of their recommendations by reviewing the compliance reports furnished.

### **DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company's strength lies in the commitment and quality of its people. Hotel Hyatt Regency Kolkata is known worldwide for its impeccable services - a reflection of careful employee selection, training and motivation. Employees are provided opportunity to grow and prosper. In the mean time all efforts are being made to control cost so as to maintain present level of profitability. We are also seeking opportunities in different markets and segments to continue diversify our revenue.

Industrial relations remained stable throughout the financial year 2012-13.

As on 31st March 2013, the number of people employed by the Company was 304.

### **CAUTIONARY STATEMENT**

Statements 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

Place: Kolkata  
23rd May 2013

**Umesh Saraf**  
Joint Managing Director

**R. S. Jhavar**  
Director

## **ANNEXURE - C FORMING PART OF DIRECTORS' REPORT**

### **REPORT ON CORPORATE GOVERNANCE**

#### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Asian Hotels (East) Limited believes that good Corporate Governance is essential to achieve long term corporate goals and enhance stakeholders' value. The Company's philosophy on Corporate Governance is aimed at the attainment of highest level of transparency, accountability and compliance of laws in all facets of operations, leading to best standards of Corporate Governance. This has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. It is Asian Hotels (East) Limited's belief that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards. 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 on the various facts of the Company's operations, its functioning, financial and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit.

The Company has complied with the provisions of Clause 49 of the Listing Agreement with Stock Exchanges, which deals with the compliance of Corporate Governance requirements as detailed below:

#### **BOARD OF DIRECTORS**

As on 31st March 2013, the total Board strength comprises of six (6) Directors includes a Non-Executive Chairman, two (2) Joint Managing Directors and three (3) other Independent Directors. The Company is in compliance with the provisions of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges pertaining to composition of the Board as on 31st March 2013. Post 31st March 2013, following changes took place in the composition of the Board of the Company:

- Mr. S.S. Bhandari, Independent Director resigned from directorship of the Company w.e.f. 11th April 2013.
- Mr. Ramesh Kumar Chokhani has been appointed as an Independent Director on the Board w.e.f. 22nd May 2013.
- Mr. A.C. Chakrabortti has been appointed as an Independent Director on the Board w.e.f. 23rd May 2013.

After the aforesaid changes and as on date of this report, the Board comprises of seven (7) Directors includes a Non-Executive Chairman, two (2) Joint Managing Directors and four (4) other Independent Directors. The composition of the Board is in compliance with the requirements of Clause 49(I)(A) of the Listing Agreement as on date of this report.

None of the Directors is a Director in more than 15 public companies and Member of more than 10 committees or act as Chairman of more than 5 committees as specified in Clause 49, across all companies in which they are Directors.

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 four months as specified under Clause 49(I)(C) of the Listing Agreement with the Stock Exchanges. During the financial year 2012-13, the Board of Directors had five (5) meetings. These were held on 11th May 2012, 4th August 2012, 5th November 2012, 26th November 2012 and 9th February 2013. 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 supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are generally circulated seven days prior to the Board Meeting.

All statutory and other significant and material information as mentioned in Annexure IA to Clause 49 of the Listing Agreement 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.

Details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the meeting of the members. No Directors hold any equity shares of the Company.

The last Annual General Meeting was held on 19th July 2012. Pursuant to the provisions of Clause 49(I) of the Listing Agreement, the composition 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 given below as on 31st March 2013:

Sl. No.	Name of Director	Category	No. of Board Meetings attended	Last AGM attended	No. of other Directorship(s) <sup>1</sup>	No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies <sup>2</sup>	
						Member	Chairman
1.	Mr. Radhe Shyam Saraf <sup>3</sup>	Non-Independent, Non-Executive Chairman	1	No	Nil	Nil	Nil
2.	Mr. R. S. Jhawar	Independent, Non-Executive	5	Yes	7	1	1
3.	Mr. S. S. Bhandari <sup>4</sup>	Independent, Non-Executive	4	Yes	2	2	1
4.	Mr. Padam K Khaitan	Independent, Non-Executive	5	No	10	4	2
5.	Mr. Arun K Saraf <sup>3</sup>	Joint Managing Director	4	Yes	2	1	0

## Asian Hotels (East) Limited

Sl. No.	Name of Director	Category	No. of Board Meetings attended	Last AGM attended	No. of other Directorship(s) <sup>1</sup>	No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies <sup>2</sup>	
						Member	Chairman
6.	Mr. Umesh Saraf <sup>3</sup>	Joint Managing Director	5	Yes	5	0	0
7.	Mr. Ramesh Kumar Chokhani <sup>5</sup>	Independent, Non-Executive	N.A.	N.A.	N.A.	N.A.	N.A.
8.	Mr. A.C. Chakrabortti <sup>5</sup>	Independent, Non-Executive	N.A.	N.A.	N.A.	N.A.	N.A.

<sup>1</sup> The Directorship held by Directors as mentioned above does not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under Section 25 of the Companies Act, 1956 and Private Limited Companies.

<sup>2</sup> In accordance with Clause 49 of the Listing Agreement, Memberships/Chairmanships of only the Audit Committee and Shareholders'/ Investors' Grievance Committees in all Public Limited Companies [excluding Asian Hotels (East) Limited] have been considered.

<sup>3</sup> No Directors other than Mr. Radhe Shyam Saraf, Mr. Arun K Saraf and Mr. Umesh Saraf are related to each other as father, sons and brothers.

<sup>4</sup> Mr. S. S. Bhandari has resigned from the Board of the Company as Director w.e.f. 11th April 2013.

<sup>5</sup> Mr. Ramesh Kumar Chokhani and Mr. A.C. Chakrabortti have been appointed as Independent Directors w.e.f. 22nd May 2013 and 23rd May 2013 respectively.

### COMMITTEE OF BOARD OF DIRECTORS

#### 1) Audit Committee

##### Terms of Reference

The role and terms of reference of the Audit Committee are in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreements with the Stock Exchanges. The terms of reference of the Committee are wide enough to cover the matters specified for Audit Committee under the Listing Agreements.

As on 31st March 2013, the Audit Committee comprises three (3) Directors amongst which two (2) are Independent Non-Executive Directors, namely Mr. S.S. Bhandari and Mr. R. S. Jhawar and one (1) is Joint Managing Director namely Mr. Umesh Saraf. Post 31st March 2013 following changes took place in the constitution of the Audit Committee:

- Mr. S.S. Bhandari resigned from the Board and consequently ceased to be a Chairman of the Audit Committee w.e.f. 11th April 2013.
- Mr. Ramesh Kumar Chokhani and Mr. A.C. Chakrabortti were inducted as members of the Audit Committee w.e.f. 22nd May 2013 and 23rd May 2013 respectively.
- Mr. R.S. Jhawar was appointed as Chairman of the Audit Committee w.e.f. 22nd May 2013.

After aforesaid changes and as on date of this report, the Audit Committee comprises of four (4) Directors amongst which three (3) are Independent Non-Executive Directors and one (1) is Joint Managing Director.

All the members of the Audit Committee possess sound knowledge on accounts, audit, finance, internal controls etc. Mr. S. S. Bhandari, former Chairman of the Audit Committee, had been senior partner in leading firms of Chartered Accountants. Mr. R. S. Jhawar, a Chartered Accountant, is a renowned financial professional in the industry. Mr. Umesh Saraf has held Managing Directorship in renowned Indian Companies. Mr. Ramesh Kumar Chokhani has 11 years of experience as a CA professional in the field of auditing, taxation, project management etc. and Mr. A.C. Chakrabortti, 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.

During the financial year 2012-13, five (5) Audit Committee meetings were held on 21st April 2012, 11th May 2012, 4th August 2012, 5th November 2012 and 9th February 2013 respectively. Necessary quorum was present for all the meetings. The time gaps between any two Audit Committee meetings were not more than four months.

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

Name of the Chairman/Member	Meetings Attended
Mr. S. S. Bhandari - Chairman <sup>1</sup>	5
Mr. R. S. Jhawar-Chairman <sup>2</sup>	5
Mr. Umesh Saraf	5
Mr. Ramesh Kumar Chokhani <sup>3</sup>	N.A.
Mr. A.C. Chakrabortti <sup>3</sup>	N.A.

<sup>1</sup> Mr. S.S. Bhandari resigned from the Board and consequently ceased to be a chairman of Audit Committee w.e.f. 11th April 2013.

<sup>2</sup> Mr. R.S. Jhawar has been appointed as Chairman of the Audit Committee w.e.f. 22nd May 2013.

<sup>3</sup> Mr. Ramesh Kumar Chokhani and Mr. A.C. Chakrabortti were inducted as members of Audit Committee w.e.f. 22nd May 2013 and 23rd May 2013 respectively

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

Mr. Radhe Shyam Saraf, Chairman, Mr. Arun K Saraf, Joint Managing Director, Vice President-Corporate Finance, Director of Finance and General Manager along with the Statutory and Internal Auditors of the Company attend the Meetings of the Audit Committee.



## Asian Hotels (East) Limited

### 2) Remuneration Committee

The Remuneration Committee acts in terms of the prescribed provisions of Part II of Schedule XIII of the Companies Act, 1956 as well as requirement of Clause 49 of the Listing Agreement with Stock Exchanges and shall review and/or determine the remuneration packages of the executive directors of the Company.

The composition of the Committee as on 31st March 2013 is as under:

Name of Member	Status
Mr. R. S. Jhavar	Chairman
Mr. S. S. Bhandari <sup>1</sup>	Member
Mr. Padam K Khaitan	Member
Mr. A.C. Chakrabortti <sup>2</sup>	Member

1 Mr. S.S. Bhandari, Independent Director resigned from directorship of the Company w.e.f. 11th April 2013.

2 Mr. A.C. Chakrabortti was inducted as member w.e.f. 23rd May 2013.

The Committee did not meet during the year. The Remuneration Committee when required, reviews the remuneration packages of the Joint Managing Directors and recommend suitable revision to the Board. The remuneration is then subject to Members' approval.

Details of remuneration paid/payable to the Directors during the financial year ended 31st March 2013:

#### (a) Joint Managing Directors

(Rs. in Lacs)

Name	Salary	Perquisites and allowances	Commission payable	Total amount paid/payable in 2012-13	Period of appointment
Mr. Arun K Saraf	80.64	43.20	32.69	156.53	5 years starting from 4th August 2010
Mr. Umesh Saraf	80.64	43.20	18.19	142.03	5 years starting from 22nd February 2010

#### (b) Non-Executive Directors :

Name	Sitting fees (Rs.)*
Mr. Radhe Shyam Saraf	20,000
Mr. S. S. Bhandari	1,80,000
Mr. R. S. Jhavar	2,05,000
Mr. Padam K Khaitan	1,10,000

\* No remuneration other than sitting fees for attending Board and Committee Meetings was paid to the Non-Executive Directors.

The Company does not have any stock option plan or performance linked incentive or bonus for the Joint Managing Directors.

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

There were no other shares and convertible instruments held by any Director of the Company. There were no pecuniary relationships or transaction between any of the Non- Executive Directors and the Company.

### 3) Share Transfer and Shareholders'/Investors' Grievance Committee

The Company has a Share Transfer and Shareholders'/Investors' Grievance Committee to carry out handling of transfer and transmission of shares, issue of duplicate/re-materialise shares and consolidation and splitting of certificates etc. and handling of shareholders'/investors' grievances. The brief terms of reference of the Committee include redressing of shareholders and investors' complaints like transfer of shares, non-receipt of Annual Reports, non-receipt of declared dividends etc. and to expedite the process of share transfer. The Committee also monitors implementation and compliance of the Company's Code of Conduct for prohibition of insider trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

The composition of the Committee is as under:

Name of the Members	Status
Mr. Padam K Khaitan	Chairman
Mr. R. S. Jhavar	Member
Mr. Umesh Saraf	Member

The Committee meets on need basis. The Committee met once on 14th September 2012 during the year which was attended by all the Members.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review were 67. There are no pending complaints as on 31st March 2013. 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 2013.

Minutes of meetings of the Share Transfer and Shareholders'/Investors' Grievance Committee/Resolutions by Circulations are circulated to the Board.

## Asian Hotels (East) Limited

### Compliance Officer

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

### Executive Share Transfer Committee

Pursuant to Clause 49 IV(G)(iv) of the Listing Agreement with the Stock Exchanges and to expedite the process of share transfers, the Board at its meeting held on 4th August 2012 has constituted an Executive Share Transfer Committee comprising of Vice President - Corporate Finance and Chief Legal Officer & Company Secretary.

### Terms of reference:

- The Committee considers and approves 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;
- The Committee executes its role as per the Company's Code of Conduct for prevention of Insider Trading ("The Code") framed in terms of SEBI (Prohibition of Insider Trading) Regulations, 1992.

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

### GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings:

Financial Year	Nature of meeting	Venue	Date	Time	Special Resolutions passed
2009-10	3rd Annual General Meeting	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata- 700098, West Bengal.	29.09.2010	11.30 a.m	None
2010-11	4th Annual General Meeting	- Do -	24.08.2011	11.00 a.m	None
2011-12	5th Annual General Meeting	- Do -	19.07.2012	11.00 a.m	None

### Postal Ballot

No resolutions were passed through Postal Ballot under Section 192A of the Companies Act, 1956 during the financial year 2012-13.

### SUBSIDIARY

The Company has two subsidiaries namely GJS Hotels Limited and Regency Convention Centre and Hotels Limited and one step-down subsidiary namely Robust Hotels Private Limited. GJS Hotels Limited is wholly owned and a material non-listed Indian subsidiary within the meaning of the explanations given in Explanations 1 of Clause 49(III) of the Listing Agreement with the Stock Exchanges.

### DISCLOSURES

- There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Register of Contracts containing transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties as per AS 18 are disclosed in the Notes to the Annual Accounts for the financial year 2012-13.
- No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.
- The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standard) Rules, 2006 while preparing the Financial Statements.
- The Company has in place a mechanism to inform the Board members about the risk assessment and mitigation plans and periodical review to ensure that the critical risks are controlled by the executive management through means of a properly defined framework.
- The Company has not come out with any public issue or right issue etc. during the financial year under review.
- The Company has complied with all the applicable requirements of the Listing Agreements with the Stock Exchanges where the equity shares of the Company are listed. 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.
- The Company has not adopted the non-mandatory requirements of the Listing Agreement except relating to the Remuneration Committee.

### COMPLIANCE

#### • Code of Conduct

The Company has adopted a Code of Conduct for Board and Senior Management in terms of Clause 49(I)(D) of the Listing Agreement with the Stock Exchange. All Directors and the Senior Management personnel have affirmed in writing their adherence to the above Code. The full text of the Code is displayed at Company's website [www.ahleast.com](http://www.ahleast.com). 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 Clause 49 of the Listing Agreements with the Stock Exchanges for the purpose of Corporate Governance. A certificate has been obtained from M/s. S.S. Kothari Mehta & Co., Chartered Accountants, the Statutory Auditors of the Company.

#### • Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices

As per the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. All the Directors, employees at the senior management level and other employees and all concerned who could have access to the unpublished price sensitive information of the Company are governed by this Code. The Company has appointed Mr. Saumen Chattopadhyay, Chief Legal Officer & Company Secretary, as Compliance Officer who is responsible for setting forth procedures, implementation and compliance of the Code of Conduct for trading in Company's securities.

## Asian Hotels (East) Limited

### CEO/CFO CERTIFICATION

The Joint Managing Director and Vice President-Corporate Finance of the Company have issued necessary certificate to the Board pursuant to the provisions of Clause 49(V) of the Listing Agreements with the Stock Exchanges and the same is attached and forms part of the Annual Report.

### INFORMATION PURSUANT TO CLAUSE 49 (IV)(G) OF THE LISTING AGREEMENT

The Company has furnished information pursuant to Clause 49(IV)(G)(i) of the Listing Agreements with the Stock Exchanges, relating to the appointment of a new Director or re-appointment of a Director. Shareholders may kindly refer to the Notice convening the 6th Annual General Meeting of the Company and this Corporate Governance Report. The names of the Companies in which the person concerned holds Directorship and Membership of Committees of the Board are given separately.

### MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in the Business Standard (all India editions) and Khabar 365 din (Kolkata edition).

These results alongwith Annual Reports, Shareholding Patterns and quarterly Corporate Governance Report, etc. pursuant to Clause 52 and Clause 54 of the Listing Agreement with the Stock Exchanges are simultaneously posted on the Corporate Filing and Dissemination System (CFDS) viz. www.corpfilng.co.in website maintained by SEBI and on the website of the Company at www.ahleast.com.

Further, all periodical compliance filings like shareholding pattern, corporate governance report, corporate announcements, etc. are filed electronically on NEAPS, a web based application designed by the NSE for corporates and the investor complaints are processed in SEBI Complaints Redress System (SCORES), a centralized web based complaints redress system.

### GENERAL SHAREHOLDERS' INFORMATION

#### Annual General Meeting

<b>Day, Date &amp; Time</b>	:	Thursday, 8th August 2013 At 11.00 a.m.
<b>Venue</b>	:	Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata – 700 098.
<b>Financial Year</b>	:	31st March 2013
<b>Financial Calendar</b>	:	
1st Quarterly Results	}	Within 45 days from the end of the quarter
2nd Quarterly/ Half yearly Results		
3rd Quarterly Results		
Audited yearly Results for the year ending 31st March 2013	:	Within 60 days of the end of the Financial Year.
<b>Date of Book closure</b>	:	1st August 2013 to 8th August 2013 (both days inclusive)
<b>Dividend Payment date</b>	:	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, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001	533227	INE926K01017
2.	National Stock Exchange Limited. 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 2013-14.

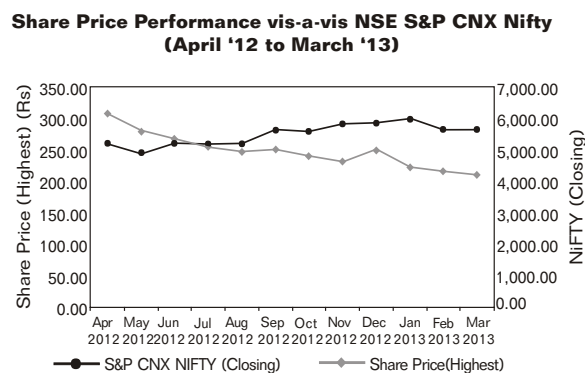
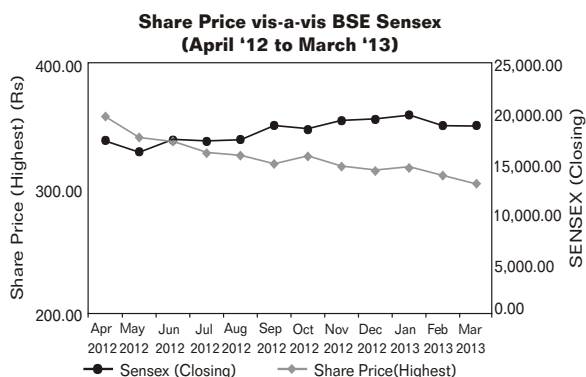
The Company has paid the annual custody/issuer fee to NSDL and CDSL for the financial year 2013-14.

**Corporate Identity Number (CIN):** L15122WB2007PLC162762

#### Market Price Data during the period from April 2012 to March 2013

Month	Bombay Stock Exchange				National Stock Exchange			
	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)
Apr 2012	316.95	276.00	2,405	17,318.81	310.05	267.00	3,767	5248.15
May 2012	282.00	236.00	14,598	16,218.53	284.00	231.60	11,314	4924.25
Jun 2012	277.00	230.00	7,068	17,429.98	269.90	234.55	7,122	5278.90
Jul 2012	259.00	235.60	6,435	17,236.18	257.80	236.00	10,853	5229.00
Aug 2012	254.95	217.00	3,898	17,429.56	250.00	216.00	9,520	5258.50
Sep 2012	239.00	213.00	5,073	18,762.74	253.00	210.65	36,663	5703.30
Oct 2012	254.00	216.25	5,188	18,505.38	242.00	219.00	14,935	5619.70
Nov 2012	237.00	216.00	4,514	19,339.90	233.30	211.15	14,371	5879.85
Dec 2012	230.00	211.10	6,303	19,426.71	253.00	210.00	12,500	5905.10
Jan 2013	235.00	212.65	16,766	19,894.98	224.00	201.60	28,340	6034.75
Feb 2013	221.75	183.00	5,865	18,861.54	218.00	182.55	11,379	5693.05
Mar 2013	208.35	166.10	19,717	18,835.77	211.90	162.00	17,507	5682.55

## Asian Hotels (East) Limited



### Share Transfer System

Share transfers in physical form are generally registered within a fortnight from the date of receipt provided the documents are found to be in order. Share Transfer & Shareholders'/ Investors' Grievance Committee and Executive Share Transfer Committee consider and approve the transfer proposals.

The Company affirms that no shareholders' complaints was lying pending as on 31st March 2013 under SCORES.

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).

### Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a Practicing Company Secretary carries out the Share Capital Audit 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. This audit is carried out every quarter and the report is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

### Unclaimed Shares

In terms of Clause 5A II of the Listing Agreement, 66268 equity shares relating to 841 shareholders, which remained unclaimed as on 14th June, 2012, were transferred to a separate demat account namely "AHEL - Unclaimed Suspense Account" maintained with Karvy Stock Broking Limited. The detail of operation in the above unclaimed suspense account is as follows:

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 14th June, 2012.	841	66268
2.	Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during 14th June, 2012 to 31st March, 2013	10	1075
3.	Number of shareholders to whom shares were transferred from the unclaimed suspense account during 14th June, 2012 to 31st March, 2013.	8	515
4.	Number of claims lodged but pending due to want of document as on 31st March, 2013.	2	560
5.	Aggregate Number of shareholders and outstanding shares lying in the unclaimed suspense account as on 31st March, 2013.	833	65753

The voting rights on the shares outstanding in the unclaimed suspense accounts as on March 31, 2013 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.)
2009-10	29th September 2010	3.00/-
2010-11	24th August 2011	4.50/-
2011-12	19th July 2012	4.50/-

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

Pursuant to Sections 205A & 205C & other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid equity dividend remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment will be transferred to the IEPF established by the

## Asian Hotels (East) Limited

Central Government. No claim shall lie against the said Fund or the Company for the amounts so transferred nor shall any payment be made in respect of such claims. Members who have not yet encashed their equity dividend warrant(s) for the financial years 2009-10, 2010-11 and 2011-12 are requested to make their claims by submitting their un-encashed warrant(s) without any delay to the Company / Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Private Limited, Hyderabad.

The following table of information relating to the outstanding dividend accounts and the dates by which they need to be transferred:

Financial Year	Date of Declaration	Date of payment	Date on which dividend will become part of IEPF
2009-10	29th September 2010	20th October 2010	4th November 2017
2010-11	24th August 2011	30th August 2011	29th September 2018
2011-12	19th July 2012	27th July 2012	24th August 2019

### Distribution of Shareholding as on 31st March 2013

DISTRIBUTION SCHEDULE AS ON 31/03/2013					
Sl. No.	Category	Cases	% of Cases	Amount (Rs.)	% Amount
1	upto 1 - 5000	14539	96.81	8503340.00	7.43
2	5001 - 10000	269	1.79	1912600.00	1.67
3	10001 - 20000	102	0.68	1437280.00	1.26
4	20001 - 30000	27	0.18	658290.00	0.58
5	30001 - 40000	21	0.14	736110.00	0.64
6	40001 - 50000	12	0.08	556010.00	0.49
7	50001 - 100000	17	0.11	1216500.00	1.06
8	100001 & ABOVE	31	0.21	99385720.00	86.87
	<b>Total:</b>	<b>15018</b>	<b>100.00</b>	<b>114405850.00</b>	<b>100.00</b>

### No. of Shares

Physical : 3,52,982

Electronic Mode:

- NSDL : 1,08,15,149

- CDSL : 2,72,454

### Shareholding Pattern as on 31st March 2013

Category	No. of Shares held	% of shareholding
<b>A. Promoters shareholding</b>		
- Indian	3127072	27.33
- Foreign	3630630	31.74
<b>Total Promoters Shareholding</b>	<b>6757702</b>	<b>59.07</b>
<b>B. Public Shareholding</b>		
- Mutual Fund	425	0.00
- Indian Financial Institutions	185092	1.62
- Banks	657685	5.75
- FII's	41328	0.36
- NRI's	199260	1.74
- Bodies Corporate (Domestic)	2174624	19.01
- Individuals (Indian Public)	1379114	12.06
- Clearing members	6274	0.05
- Foreign Corporate Bodies	38803	0.34
- Trust	278	0.00
<b>Total Public Shareholding</b>	<b>4682883</b>	<b>40.93</b>
<b>TOTAL</b>	<b>11440585</b>	<b>100</b>

## *Asian Hotels (East) Limited*

### **Registrar and Share Transfer Agent**

Karvy Computershare Private Limited

'Karvy House'  
Plot No. 17 to 24, Vittal Rao Nagar  
Madhapur, Hyderabad- 500 081  
Tel No. 040-23114058/ 23420818,  
Fax No. 040-23420814  
E-mail: mailmanager@karvy.com

Karvy Computershare Private Limited

49, Jatin Das Road, Kolkata - 700 029  
Tel No. 033- 2464 4891/7231/2463-4787-89  
Website: www.karvy.com

### **Dematerialisation of Equity Shares**

1,10,87,603 shares (equivalent to 96.91%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March 2013.

The Company's shares are traded at BSE & NSE.

The Company has not issued GDRs/ADRs/Warrants or any Convertible Instruments likely to impact on equity.

### **Hotel 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.

### **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  
Fax No. : 033-2335-8246  
Email id : Soumya.Saha@ahleast.com

### **Exclusive e-mail ID for Investors' Grievances**

Pursuant to Clause 47(f) of the Listing Agreement with the Stock Exchange, the e-mail id investorrelations@ahleast.com has been designated for communicating investors' grievances.

For and on behalf of the Board of Directors

Place: Kolkata  
23rd May 2013

**Umesh Saraf**  
Joint Managing Director

**R. S. Jhavar**  
Director

*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.

**Sub: Joint Managing Director/ Vice President - Corporate Finance Certification  
pursuant to Clause 49V of the Listing Agreement with the Stock Exchanges.**

We, the undersigned, in our capacities as the Joint Managing Director / 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 and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2013 and based on our knowledge and belief, we state that:
- (i) These statements do not contain any materially untrue 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) We further state that to the best of our knowledge and belief, there are no transactions executed into by the Company during the year which are fraudulent, illegal or violate 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 the 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 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.

Thanking you,

Yours faithfully,

For **Asian Hotels (East) Limited**

Place: Kolkata  
23rd May 2013

**Umesh Saraf**  
Joint Managing Director

**Bimal K Jhunjhunwala**  
Vice President-Corporate Finance

**DECLARATION**

In compliance with Clause 49(I)(D)(ii) of the Listing Agreement, I, Umesh Saraf, Joint Managing Director of the Company hereby declare on the basis of information furnished to me that all Board Members and Senior Managerial Personnel have affirmed in writing the compliance of their respective Code of Conducts adopted by the Board for Financial Year 2012-13.

For **Asian Hotels (East) Limited**

Place: Kolkata  
23rd May 2013

**Umesh Saraf**  
Joint Managing Director

---

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To

The Members of Asian Hotels (East) Limited

We have reviewed the implementation of Corporate Governance procedure by the company during the twelve-month period ended 31<sup>st</sup> March, 2013 as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges in India with the relevant records/documents maintained by the company furnished to us for our review and the report of Corporate Governance as approved by the Board of Directors.

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

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

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

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No: 000756N

**K K Tulshan**  
Partner  
Membership No: 085033

Place: Kolkata  
23rd May 2013



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED**

#### **Report On the Financial Statements**

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

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### **Opinion**

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order;
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable;
  - e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No: 000756N

**K K Tulshan**  
Partner  
Membership No: 085033

Place: Kolkata  
Date: 23rd May 2013

## **ANNEXURE TO THE AUDITORS' REPORT**

**Referred to in clause 1 of paragraph of 'Report on Other Legal and Regulatory Requirements' of our report of even date**

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) Fixed assets have been physically verified by the management during the period and as informed, no material discrepancies were noticed on such verification.  
c) In our opinion & according to information and explanations given to us, the Company has not made any substantial disposal of fixed assets during the year.
- ii) a) The stocks of stores, provisions, beverages, crockery etc., have been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.
- iii) The Company has not granted or taken any loan, secured or unsecured, to or from companies covered in the register maintained u/s 301 of the Companies Act, 1956. Therefore, the provisions of clauses (iii) (b) to (g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v) a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
b) According to the information and explanations given to us, there is no transaction in excess of Rs. 5 lakhs in respect of any party and hence the question of reasonable prices in respect of such transactions regards to the prevailing market prices does not arise.
- vi) The Company has not accepted any deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under during the period.
- vii) In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company and the nature of its business.
- viii) To the best of our knowledge, maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 as prescribed by the Central Government is not applicable to the Company.
- ix) a) According to the records of the Company examined by us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other applicable statutory dues.  
According to the information and explanations given to us, there are no undisputed amounts payable in respect of the aforesaid dues that were outstanding as at 31st March 2013 for a period of more than six months from the date they became payable.  
b) According to the records of the Company examined by us, and according to the information and explanations given to us, there are no dues in respect of Income Tax, Custom Duty, Wealth Tax, Excise Duty, Sales Tax, Service Tax and Cess which have not been deposited on account of any dispute except as given below:-

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (In ₹)</b>	<b>Period to which the Amount relates</b>	<b>Forum where dispute is pending</b>
West Bengal Sales Tax Act, 1994	Sales Tax	211,767	2007-08	Deputy Commissioner Commercial / Sales Tax Corporate Division
West Bengal Sales Tax Act, 1994	Sales Tax	528,286	2008-09	Deputy Commissioner Commercial / Sales Tax Corporate Division
West Bengal Value Added Tax Act, 2003	VAT	2,531,538	2006-07	Deputy Commissioner Commercial / Sales Tax Corporate Division
West Bengal Value Added Tax Act, 2003	VAT	2,197,722	2008-09	Deputy Commissioner Commercial / Sales Tax Corporate Division
Finance Act, 1994	Service Tax	4,374,000	Prior to 2004-05	Commissioner (Appeals)
Finance Act, 1994	Service Tax	10,217,937	2002-03 to 2006-07	Service Tax Tribunal
Finance Act, 1994	Service Tax	26,753,749	2007-08 to 2009-10	Service Tax Commissioner

*Asian Hotels (East) Limited*

- x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- xi) As the Company does not have any dues payable to any Financial Institutions, Banks and Debenture Holder, the provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances against security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a Chit fund/ Nidhi/ Mutual Benefit Fund/ Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order 2003 (as amended) are not applicable.
- xiv) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts of dealing or trading in shares, securities, debentures and other investments and timely entries have been made in those records. We also report that the Company has held the shares, securities, debentures and other investments in its own name.
- xv) According to the information and explanations given to us, the terms and condition of the guarantee given by the Company for loans taken from banks by its subsidiary is prima- facie not prejudicial to the interest of the Company.
- xvi) There were no term loans raised during the period by the Company for any purpose. The provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. The provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xix) The Company has not issued any debentures during the period; the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx) As the Company has not raised any money through public issue during the period, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no instances of fraud on or by the Company has been noticed or reported during the course of our audit.

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No: 000756N

**K K Tulshan**  
Partner  
Membership No: 085033

Place: Kolkata  
Date: 23rd May 2013

*Asian Hotels (East) Limited*

**BALANCE SHEET as at 31st March 2013**

	Note	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUND</b>			
(a) Share Capital	3	<b>114,405,850</b>	114,405,850
(b) Reserves & Surplus	4	<b>8,067,147,284</b>	7,809,660,563
		<b>8,181,553,134</b>	7,924,066,413
<b>NON-CURRENT LIABILITIES</b>			
(a) Deferred Tax Liabilities (Net)	5	<b>220,598,735</b>	210,648,195
(b) Other Long Term Liabilities	6	<b>10,197,250</b>	—
(c) Long-term Provisions	7	<b>14,063,180</b>	12,263,058
		<b>244,859,165</b>	222,911,253
<b>CURRENT LIABILITIES</b>			
(a) Trade Payables	8	<b>63,866,127</b>	76,066,777
(b) Other Current Liabilities	9	<b>33,556,290</b>	50,450,515
(c) Short -Term Provisions	10	<b>60,346,186</b>	60,086,847
		<b>157,768,603</b>	186,604,139
<b>Total</b>		<b>8,584,180,902</b>	8,333,581,805
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	<b>1,474,637,845</b>	1,507,367,567
(ii) Intangible Assets		—	—
(iii) Capital Work-in-Progress		<b>15,948,040</b>	15,774,447
(b) Non-Current Investments	12	<b>3,219,640,784</b>	3,219,640,784
(c) Long-term Loans and Advance	13	<b>59,704,465</b>	55,345,889
		<b>4,769,931,134</b>	4,798,128,687
<b>CURRENT ASSETS</b>			
(a) Current Investments	14	<b>2,573,811,662</b>	2,020,786,779
(b) Inventories	15	<b>19,521,903</b>	17,214,440
(c) Trade Receivable	16	<b>60,444,579</b>	30,701,118
(d) Cash and Bank Balances	17	<b>50,876,780</b>	655,546,693
(e) Short-term Loans and Advances	18	<b>1,109,437,720</b>	777,443,251
(f) Other Current Assets	19	<b>157,124</b>	33,760,837
		<b>3,814,249,768</b>	3,535,453,118
<b>Total</b>		<b>8,584,180,902</b>	8,333,581,805
Notes forming part of Financial Statements	1-45		

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhavar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

**STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2013**

	Note	Year Ended 31st March 2013	Amount in ₹ Year Ended 31st March 2012
<b>INCOME</b>			
Revenue from Operations	20	<b>902,413,272</b>	854,137,865
Other Income	21	<b>237,474,982</b>	165,791,638
		<b>1,139,888,254</b>	1,019,929,503
<b>EXPENDITURE</b>			
Consumption of Provisions, Beverages, Smokes & Others	22	<b>114,777,720</b>	104,387,928
Employee Benefit Expense	23	<b>184,604,786</b>	179,240,191
Finance Cost	24	<b>779,394</b>	—
Depreciation and Amortization Expenses	11	<b>65,430,870</b>	68,503,726
Other Expenses	25	<b>386,087,590</b>	307,809,119
		<b>751,680,360</b>	659,940,964
<b>PROFIT BEFORE TAX</b>		<b>388,207,894</b>	359,988,539
<b>TAX EXPENSES</b>			
a. Current tax		<b>56,384,086</b>	80,168,482
b. Deferred tax		<b>9,950,540</b>	(552,423)
c. Others (Short Provision of earlier years)		<b>4,552,144</b>	—
<b>PROFIT AFTER TAX</b>		<b>317,321,124</b>	280,372,480
<b>EARNINGS PER EQUITY SHARE</b>			
	27		
(a) Basic		<b>27.74</b>	24.51
(b) Diluted		<b>27.74</b>	24.51
Notes forming part of Financial Statements	1-45		

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhavar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

**CASH FLOW STATEMENT for the year ended 31st March 2013**

	Year Ended 31st March, 2013	Amount in ₹ Year Ended 31st March, 2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	<b>388,207,894</b>	359,988,539
Adjustment for :		
Depreciation/amortization	<b>65,430,870</b>	68,503,726
Loss/(profit) on sale of fixed assets	<b>663,574</b>	2,125,017
Provision for bad and doubtful debts	<b>142,030</b>	—
Excess Provision Written Back	<b>(15,297,136)</b>	(184,237)
Miscellaneous Balances written off	<b>40,005</b>	—
Adjustment to Carrying amount of investment	<b>64,219</b>	—
Net loss/(gain) on sale of current investments	<b>(105,865,540)</b>	(5,526,367)
Provision for Gratuity	<b>1,864,947</b>	652,120
Provision for Leave Encashment	<b>194,511</b>	2,526,113
Interest income	<b>(21,032,314)</b>	(65,287,538)
Dividend income	<b>(94,772,592)</b>	(94,793,496)
<b>Operating profit before working capital changes</b>	<b>219,640,468</b>	268,003,877
Movements in working capital :		
Increase/(decrease) in trade payables	<b>3,096,484</b>	9,616,732
Increase / (decrease) in other long-term liabilities	<b>10,197,250</b>	—
Increase/(decrease) in other current liabilities	<b>(17,471,486)</b>	6,944,497
Decrease/(increase) in trade receivables	<b>(29,885,491)</b>	(8,042,759)
Decrease/(increase) in inventories	<b>(2,307,463)</b>	3,814,977
Decrease / (increase) in other current assets	<b>33,603,713</b>	—
Decrease / (increase) in long term loans and advances	<b>120,900</b>	(1,880,000)
Decrease / (increase) in short-term loans and advances	<b>(4,444,617)</b>	11,415,615
<b>Cash generated from / (used in) operations</b>	<b>212,549,758</b>	289,872,939
Direct taxes paid (net of refunds)	<b>(68,705,490)</b>	(78,948,219)
<b>NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES (A)</b>	<b>143,844,268</b>	210,924,720
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	<b>(34,716,815)</b>	(8,277,748)
Decrease in Capital Advance	<b>3,249,784</b>	—
Proceeds from sale of fixed assets	<b>1,178,500</b>	774,000
Purchase of current investments	<b>(1,245,090,738)</b>	(2,893,555,609)
Proceeds from sale/maturity of current investments	<b>797,867,176</b>	3,763,906,553
Short term loans and advances given	<b>(323,510,947)</b>	(616,675,000)
Short term loans and advances repaid	<b>—</b>	82,000,000
Interest received	<b>16,993,409</b>	36,209,794
Dividend received	<b>94,772,592</b>	94,793,496
<b>NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES (B)</b>	<b>(689,257,039)</b>	459,175,486
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid on shares	<b>(50,905,372)</b>	(50,631,606)
Tax on dividend paid	<b>(8,351,770)</b>	(8,324,329)
<b>NET CASH FLOW FROM/(USED IN) IN FINANCING ACTIVITIES (C)</b>	<b>(59,257,142)</b>	(58,955,935)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>(604,669,913)</b>	611,144,271
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer Note 17)</b>	<b>655,546,693</b>	44,402,422
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 17)</b>	<b>50,876,780</b>	655,546,693

Notes forming part of Financial Statements

1-45

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhawar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

## **Notes to Financial Statements for the Year Ended 31st March 2013**

### **1. Corporate 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.

### **2. Basis of Preparation**

The financial statements have been prepared to comply with all material respects with the mandatory Accounting Standards (AS) notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below, if any.

#### **2.1 Significant Accounting Policies**

##### **a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting 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.

##### **b. Tangible Fixed Assets**

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

##### **c. Depreciation**

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. 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. No depreciation is charged for the quarter on the assets sold/ discarded during the year.

##### **d. Impairment of Tangible Assets**

The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. Value in use is determined for assets or group of assets which are capable of generating independent cash flows i.e. cash generating units.

##### **e. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

## **Notes to Financial Statements for the Year Ended 31st March 2013**

### **f. Inventories**

Inventory is valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated realizable value in the normal course of business less the estimated costs necessary to make the sale.

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

Shares held as Stock-in-trade are valued at cost or market value whichever is lower.

### **g. Revenue Recognition**

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

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

### **h. Foreign Currency Transaction**

#### **Initial recognition**

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

#### **Conversion**

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

#### **Exchange differences**

Exchange differences are recognized as income or as expenses in the period in which they arise.

#### **Income in Foreign Exchange**

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

#### **Expenses remittable in foreign exchange**

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

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

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.

All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

### **j. Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.



## **Notes to Financial Statements for the Year Ended 31st March 2013**

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### **k. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share 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 rights 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 earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **l. Provisions**

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### **m. Contingent Liabilities**

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

### **n. Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **o. Dividend**

Dividend recommended by the Board of Directors, if any, is provided for in the accounts pending shareholders' approval.

## Notes to Financial Statements for the Year Ended 31st March 2013

3. Share Capital	Amount in ₹	
	As at 31st March 2013	As at 31st March 2012
<b>Authorised Shares</b>		
14,000,000 (31st March 2012: 14,000,000) Equity Shares of ₹10 each	<b>140,000,000</b>	140,000,000
1,000,000 (31st March 2012: 1,000,000) Preference Shares of ₹10 each	<b>10,000,000</b>	10,000,000
	<b>150,000,000</b>	150,000,000
<b>Issued, Subscribed and fully Paid-up Shares</b>		
11,440,585 (Previous Year : 11,440,585) Equity Shares of ₹10 each fully paid up	<b>114,405,850</b>	114,405,850
	<b>114,405,850</b>	114,405,850

### 3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

#### Equity Shares

	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	<b>11,440,585</b>	<b>114,405,850</b>	11,401,782	114,017,820
Issued during the year (Refer Note 3.2)	—	—	38,803	388,030
Deducted during the year	—	—	—	—
<b>At the end of the year</b>	<b>11,440,585</b>	<b>114,405,850</b>	11,440,585	114,405,850

#### 1% Cumulative Fully Convertible

#### Preference Shares

	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	—	—	27,780	277,800
Issued during the year	—	—	—	—
Redemption/Conversion during the year (Refer Note 3.2)	—	—	27,780	277,800
<b>At the end of the year</b>	—	—	—	—

**3.2 Conversion of Fully Convertible Preference Shares :** The Company vide Circular Resolution dated 30th April 2011, has issued and allotted fresh 38,910 equity shares of ₹10 each at a price of ₹385.53 per share (including security premium of ₹375.53 per share) to the holders of Fully Convertible Preference Shares (FCPS) holding 27,780 FCPS on conversion in terms of Clause 5.3.1 of the Scheme of Arrangement and Demerger between Asian Hotels Limited (Transferor Company) now renamed as Asian Hotels (North) Limited and its shareholders and creditors; Chillwinds Hotels Limited (Transferee Company-I) now renamed as Asian Hotels (West) Limited and its shareholders; and Vardhman Hotels Limited (Transferee Company-II) now renamed as Asian Hotels (East) Limited and its shareholders read with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Subsequently, the Company made applications to Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed, for obtaining the in principle approval for the said issue and allotment of 38,910 equity shares.

While dealing with the Company's application for issue of in-principle approval by BSE and NSE, the Company was directed by them, to revise the issue price of ₹385.53. Accordingly, the Board of Directors of the Company considered the directions of the Stock Exchanges and revised the earlier issue price from ₹385.53 to ₹386.59 and consequently issued and allotted 38,803 equity shares of ₹10 each of the Company with effect from 30th April, 2011, vide its Circular Resolution dated 4th July, 2011, in suspension to its earlier Board Resolution dated 30th April, 2011.

### 3.3 Terms/rights attached to Equity Shares

#### Equity Shares

The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**Preference Shares**

The rights, preferences and restrictions attached to the preference shares are in accordance with the provisions of the Companies Act, 1956, unless stated otherwise.

**3.4 Details of shareholders holding more than 5% of the aggregate shares in the Company**

**Equity Shares**

	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Saraf Industries Limited	3,630,630	31.73	3,630,630	31.73
Forex Finance Private Limited	3,127,072	27.33	3,127,072	27.33
Jesmin Investments Limited	693,851	6.06	693,851	6.06
Axis Bank Limited	636,065	5.56	620,974	5.43

**3.5** 1,14,01,782 equity shares of ₹10 each fully paid up have been issued during the fiscal year ended 31st March 2010 pursuant to the scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi vide order dated 13th January 2010.

**4. Reserves and Surplus**

	As at 31st March 2013	As at 31st March 2012
<b>Capital Reserve</b>	<b>141,043</b>	141,043
<b>Capital Redemption Reserve</b> (for redeemed Non Convertible Preference Shares-NCPS)	<b>2,000,000</b>	2,000,000
<b>Securities Premium Account</b>		
Opening Balance	<b>14,612,822</b>	14,723,400
Add: Created on conversion of 27,780 1% Cumulative Fully Convertible Preference Shares of ₹10 each into 38,803 Equity Shares of ₹10 each at a premium of ₹376.59 each per Equity Share (Refer Note No. 3.2)	—	14,612,822
Less: Utilized for conversion of 27,780 1% Cumulative Fully Convertible Preference Shares of ₹10 each at a premium of ₹530 each	—	14,723,400
<b>Closing Balance</b>	<b>14,612,822</b>	14,612,822
<b>Tourism Development Utilised Reserve</b>		
Opening Balance	<b>533,202,000</b>	533,202,000
Less: Transferred to General Reserve	<b>533,202,000</b>	—
<b>Closing Balance</b>	—	533,202,000
<b>General Reserve</b>		
Opening Balance	<b>5,839,878,503</b>	5,811,841,255
Add: Transferred from Tourism Development Utilised Reserve	<b>533,202,000</b>	—
Add: Transferred from Statement of Profit & Loss	<b>31,732,112</b>	28,037,248
<b>Closing Balance</b>	<b>6,404,812,615</b>	5,839,878,503
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	<b>1,419,826,195</b>	1,227,325,364
Add: Profit for the Year	<b>317,321,124</b>	280,372,479
Less: Appropriations-		
Amount transferred to General Reserve	<b>31,732,112</b>	28,037,248
Proposed dividend on equity shares*	<b>51,482,633</b>	51,482,630
Corporate Dividend Tax	<b>8,351,770</b>	8,351,770
<b>Closing Balance</b>	<b>1,645,580,804</b>	1,419,826,195
<b>Total</b>	<b>8,067,147,284</b>	7,809,660,563

\* The Board of Directors at their meeting held on 23rd May 2013 has recommended a dividend of ₹4.50 per share (Previous Year ₹4.50 per share).

**Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>5. Deferred Tax Liabilities (net)</b>		
<b>Deferred tax liabilities</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged in the financial reporting	<b>228,026,043</b>	217,311,373
Gross deferred tax liabilities	<b>228,026,043</b>	217,311,373
<b>Deferred tax assets :-</b>		
Gratuity Payable	<b>3,615,961</b>	2,846,517
Leave Encashment Payable	<b>1,338,069</b>	1,214,138
Rates & Taxes	<b>546,718</b>	—
Bonus Payable	<b>778,384</b>	1,281,620
Demerger Expenses u/s 35DD	<b>283,904</b>	541,998
Provision for doubtful debts and advances	<b>864,272</b>	778,905
Gross deferred tax assets	<b>7,427,308</b>	6,663,178
<b>Net Deferred Tax Liabilities</b>	<b>220,598,735</b>	210,648,195
<b>6. Other Long Term Liabilities</b>		
Trade Payable	<b>9,192,250</b>	—
Others - Security Deposit Received	<b>1,005,000</b>	—
<b>Total</b>	<b>10,197,250</b>	—
<b>7. Long Term Provisions</b>		
Provision for employee benefits		
Provision for gratuity (refer note 26)	<b>10,285,098</b>	8,634,424
Provision for leave benefits (refer note 26)	<b>3,778,082</b>	3,628,634
<b>Total</b>	<b>14,063,180</b>	12,263,058
<b>8. Trade Payables</b>		
Trade Payable (including acceptances) (refer note 34 for details of dues to micro and small enterprise)	<b>63,866,127</b>	76,066,777
<b>Total</b>	<b>63,866,127</b>	76,066,777
<b>9. Other Current Liabilities</b>		
Advance from Customers	<b>19,270,206</b>	26,258,892
Salary Payable	<b>8,065,854</b>	18,529,150
Unpaid Dividend	<b>1,703,953</b>	1,126,692
Other Payables - Statutory Dues	<b>4,456,277</b>	4,475,781
Security Deposit	<b>60,000</b>	60,000
<b>Total</b>	<b>33,556,290</b>	50,450,515
<b>10. Short Term Provisions</b>		
Provision for employee benefits		
Provision for gratuity (refer note 26)	<b>353,211</b>	138,938
Provision for leave benefits (refer note 26)	<b>158,572</b>	113,509
	<b>511,783</b>	252,447
Other provisions		
Proposed equity dividend	<b>51,482,633</b>	51,482,630
Dividend tax	<b>8,351,770</b>	8,351,770
	<b>59,834,403</b>	59,834,400
<b>Total</b>	<b>60,346,186</b>	60,086,847

**Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**11. Fixed Assets**

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	Balance as at 1st April 2012	Additions	Deduction during the year	Balance as at 31st March 2013	Balance as at 1st April 2012	Depreciation for the period	Deduction during the year	Balance as at 31st March 2013	Balance as at 31st March 2013	Balance as at 31st March 2012
<b>Tangible Assets</b>										
Lease Hold Land	255,755,628	—	—	<b>255,755,628</b>	—	—	—	—	<b>255,755,628</b>	255,755,628
Buildings	984,935,207	9,966,152	—	<b>994,901,359</b>	147,866,581	16,095,207	—	<b>163,961,788</b>	<b>830,939,571</b>	837,068,626
Plant & Equipment	706,486,605	23,388,052	62,387	<b>729,812,270</b>	324,612,498	35,183,407	37,198	<b>359,758,707</b>	<b>370,053,563</b>	381,874,107
Furniture and Fixtures	172,095,452	1,189,018	198,638	<b>173,085,832</b>	146,532,582	13,138,118	188,706	<b>159,481,994</b>	<b>13,603,838</b>	25,562,870
Vehicles	15,830,587	—	5,598,248	<b>10,232,339</b>	8,724,251	1,014,138	3,791,295	<b>5,947,094</b>	<b>4,285,245</b>	7,106,336
<b>Total</b>	<b>2,135,103,479</b>	<b>34,543,222</b>	<b>5,859,273</b>	<b>2,163,787,428</b>	<b>627,735,912</b>	<b>65,430,870</b>	<b>4,017,199</b>	<b>689,149,583</b>	<b>1,474,637,845</b>	<b>1,507,367,567</b>
Previous Year	2,136,064,808	7,113,667	8,074,996	<b>2,135,103,479</b>	564,408,165	68,503,726	5,175,979	<b>627,735,912</b>	<b>1,507,367,567</b>	1,571,656,643
Capital Work-in-progress	15,774,447	20,815,792	20,642,199	<b>15,948,040</b>	—	—	—	—	<b>15,948,040</b>	15,774,447
Previous Year	15,774,447	—	—	<b>15,774,447</b>	—	—	—	—	<b>15,774,447</b>	15,774,447
<b>Total</b>	<b>2,150,877,926</b>	<b>55,359,014</b>	<b>26,501,472</b>	<b>2,179,735,468</b>	<b>627,735,912</b>	<b>65,430,870</b>	<b>4,017,199</b>	<b>689,149,583</b>	<b>1,490,585,885</b>	<b>1,523,142,014</b>
Previous Year	2,151,839,255	7,113,667	8,074,996	<b>2,150,877,926</b>	564,408,165	68,503,726	5,175,979	<b>627,735,912</b>	<b>1,523,142,014</b>	1,587,431,090

**As at 31st March 2013**      **As at 31st March 2012**

**12. Non-Current Investments**

**Trade, Unquoted, Fully Paid Up**

**In Equity Shares of Subsidiary Companies**

91,652 (Previous Year 91,652) equity shares of ₹10 each of Regency Convention Centre & Hotels Limited **257,901,724** 257,901,724

1,09,61,000 (Previous Year 1,09,61,000) equity shares of ₹10 each of GJS Hotels Limited **2,346,365,000** 2,346,365,000

**In Preference Shares of Subsidiary Company (Refer Note 40)**

43,00,000 (Previous Year 43,00,000) 12% Cumulative Redeemable Preference Shares of Robust Hotels Private Limited of ₹100 each. **615,374,060** 615,374,060

**Total** **3,219,640,784** 3,219,640,784

Aggregate amount of Unquoted Investment **3,219,640,784** 3,219,640,784

Aggregate Provision for diminution in value of Investments — —

**13. Long Term Loans and Advances**

(Unsecured, considered good)

Capital Advances — 3,249,784

Security Deposits **3,170,845** 3,331,745

Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Limited **33,448,275** 33,448,275

Other Loans and Advances:

Advance Tax & TDS (Net of Provision for taxes ₹19,88,52,568 (Previous Year - ₹19,15,00,439)) **23,085,345** 15,316,085

**Total** **59,704,465** 55,345,889

Notes to Financial Statements for the Year Ended 31st March 2013

	Amount in ₹			
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
	No. of Shares	No. of Shares	₹	₹
<b>14. Current Investments</b>				
<b>Non-Trade, Quoted, fully paid-up</b>				
<b>In Equity Shares, fully paid-up</b>				
Capital First Limited (Face Value ₹1 each)	700	—	93,329	—
City Union Bank Limited - EQ (Face Value ₹1 each)	2,000	—	105,100	—
City Union Bank Limited - E2 (Face Value ₹1 each)	6,000	—	242,700	—
GMM Pfaunder Limited (Face Value ₹2 each)	90	—	7,544	—
KPIT Cummins Infosystems Limited (Face Value - ₹2 each)	1,000	—	96,700	—
Mahindra Holidays & Resorts India Ltd. (Face Value ₹10 each)	1,156	—	297,034	—
Mazda Limited (Face Value ₹10 each)	525	—	60,611	—
Orient Refractories Limited (Face Value ₹1 each)	2,000	—	77,100	—
South Indian Bank (Face Value ₹1 each)	8,000	—	196,000	—
The Paper Products Limited (Face Value ₹2 each)	2,000	—	124,600	—
Wintac Limited (Face Value ₹10 each)	4,000	—	372,670	—
<b>Total (A)</b>			<b>1,673,388</b>	<b>—</b>
(Market Value as on 31st March 2013 is ₹16,93,984/-)				
<b>Non-Trade, Unquoted, fully paid-up</b>				
<b>In Mutual Funds</b>				
<b>(Face Value of ₹10 each, unless otherwise stated)</b>				
Birla Sun Life Cash Plus -DDR (Face Value ₹100 each)	926,469	—	92,827,546	—
Birla Sunlife Fixed Term Plan-Series ET -Growth	21,296,534	21,296,534	212,965,340	212,965,340
BSL Fixed Term Plan Series DX-Growth	—	4,604,329	—	46,043,290
DSP Black Rock FMP Series-35-3M	—	1,800,000	—	18,000,000
DSP Black Rock Liquidity Fund-Inst.-DDR (Face Value ₹1000 each)	378,714	—	378,833,966	—
DWS Fixed Term Fund-Series 88-Growth Plan	—	15,000,000	—	150,000,000
DWS Insta Cash Plus Fund - DDR (Face Value ₹100 each)	1,700,037	—	170,520,541	—
DWS Treasury Fund Investment	—	810,249	—	8,282,365
HDFC FMP 370D April 2012(1)-Growth-Series XXI	11,021,399	—	110,213,990	—
HDFC FMP 370D December 2011(I)-Growth	—	8,254,644	—	82,546,440
HDFC FMP 391D March 2012(1)-Growth Series XXI	1,784,913	1,784,913	17,849,130	17,849,130
HDFC Liquid Fund - DDR	13,440,752	—	137,071,480	—
ICICI Prudential Fixed Maturity Plan-Series 54	—	10,000,000	—	100,000,000
ICICI Prudential FMP Series 55 -1 Year Plan	—	12,500,000	—	125,000,000
ICICI Prudential Long Term Plan Premium Plus-Cumul	11,523,403	—	137,228,750	—
IDFC Money Manager Fund - Treasury Plan A - DDR	11,386,844	—	114,664,377	—
Kotak Bond Scheme Plan A - Growth	9,565,503	—	323,338,723	—
Kotak Floater Long Term-DDR	16,234,734	993,983	163,642,871	10,019,153
Kotak FMP Series 51-Growth	—	35,000,000	—	350,000,000
Kotak FMP Series 80-Growth	37,751,658	37,751,658	377,516,580	377,516,580
Kotak FMP Series 89-Growth	4,270,835	—	42,708,350	—
Kotak Gilt (Investment Regular) Growth	—	1,390,364	—	50,000,000
Kotak Qtrly Interval Plan Series-1 Dividend	—	8,506,448	—	85,064,481
Pramerica Liquid Fund (Face Value ₹1000 each)	6,200	—	7,704,396	—
Reliance Fixed Horizon Fund-XIX-Series 10	—	10,000,000	—	100,000,000
SBI Debt Fund Series-370 Days	—	10,000,000	—	100,000,000
SBI Ultra Short Term Debt Fund-DDR (Face Value ₹1000 each)	10,474	—	10,487,092	—
UTI Bond Fund-Growth Plan-Regular	5,544,223	—	194,145,538	—
UTI Fixed Income Interval Fund-Series II-QIP VI	—	18,750,000	—	187,500,000
UTI Treasury Advantage Fund-Inst. Plan-DDR (Face Value ₹1000 each)	80,402	—	80,419,604	—
(Market Value as on 31st March 2013 is ₹2,66,20,10,795/-)				
<b>Total (B)</b>			<b>2,572,138,274</b>	<b>2,020,786,779</b>
<b>Total (A+B)</b>			<b>2,573,811,662</b>	<b>2,020,786,779</b>
Basis of Valuation - Lower of Cost or Market Value on an individual investment basis				
Aggregate Amount of Quoted Investments			<b>1,673,388</b>	<b>—</b>
Aggregate Amount of Unquoted Investments			<b>2,572,138,274</b>	<b>2,020,786,779</b>
Aggregate amount of Adjustments to Carrying amount of Current Investments			<b>64,219</b>	<b>—</b>

**Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>15. Inventories</b>		
(Valued at Cost or Net realisable value whichever is lower)		
Food, Liquor & Tobacco	9,783,414	11,175,708
Crockery, Cutlery, Silverware, Linen	7,858,501	3,388,861
General Stores and Spares	1,879,988	2,649,871
<b>Total</b>	<b>19,521,903</b>	<b>17,214,440</b>
<b>16. Trade Receivables</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered good	715,527	4,202,509
Doubtful	2,542,723	2,400,694
	<b>3,258,250</b>	6,603,203
Less: Provision for Doubtful Debts	2,542,723	2,400,694
<b>(A)</b>	<b>715,527</b>	4,202,509
Other receivables		
Unsecured, Considered good <b>(B)</b>	59,729,052	26,498,609
<b>Total (A+B)</b>	<b>60,444,579</b>	<b>30,701,118</b>
<b>17. Cash &amp; Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Balance with banks (Refer Note 17.1)	25,468,073	10,325,155
Cash on hand (Including Stamps in Hand ₹189,673 (Previous Year ₹200,000))	2,086,854	1,214,103
Cheques on Hand	1,617,900	—
Other Bank Balances		
Fixed Deposits- under lien for cash credit limit / guarantee to Electricity Department	20,000,000	20,000,000
Fixed Deposits -Maturing Within 12 months of reporting date	—	622,880,743
Unpaid Dividend Accounts	1,703,953	1,126,692
<b>Total</b>	<b>50,876,780</b>	<b>655,546,693</b>
<b>17.1</b> The Company maintains a cash credit (secured against Fixed Deposit Receipt) and collection account with IDBI Bank Ltd. As at the reporting date, the Company has in aggregate an overall favourable balance.		
<b>18. Short Term Loans and Advances</b>		
(Unsecured, considered good)		
Advance to Related Parties (Refer Note 18.1 & 41)		
GJS Hotels Limited, a Wholly Owned Subsidiary Company	991,025,000	668,525,000
Regency Convention Centre and Hotels Limited, a Subsidiary Company	10,869,474	10,069,474
Chartered Hotels Private Limited	210,947	—
Other loans and advances		
Inter Corporate Deposits (Refer Note 18.2)	79,038,905	75,000,000
Advance to Suppliers & Other Parties (Refer Note 18.3)	7,520,557	2,960,436
Prepaid Expenses	4,499,746	6,636,733
Stamp Duty Recoverable from Odisha Govt.	14,000,000	14,000,000
Others	2,273,091	251,608
<b>Total</b>	<b>1,109,437,720</b>	<b>777,443,251</b>
<b>18.1</b> Additional Disclosure under clause 32 of the listing agreement		
Maximum amount outstanding at anytime during the year		
– Regency Convention Centre & Hotels Limited	10,869,474	10,069,474
– GJS Hotels Limited	991,025,000	720,525,000
<b>18.2</b> includes interest accrued and due thereon ₹4,038,905/- (Previous Year ₹NIL)		
<b>18.3</b> includes ₹3,00,000 being amount due from a firm in which a director is a partner		
<b>19. Other Current Assets</b>		
Interest accrued but not due on fixed deposits	157,124	33,760,837
<b>Total</b>	<b>157,124</b>	<b>33,760,837</b>

**Notes to Financial Statements for the Year Ended 31st March 2013**

	Year Ended 31st March 2013	Amount in ₹ Year Ended 31st March 2012
<b>20. Revenue From Operations</b>		
Sale of Products		
Wines and Liquor	<b>51,198,535</b>	47,593,736
Food, Other Beverages and Smokes	<b>346,944,507</b>	301,697,949
	<b>398,143,042</b>	349,291,685
Less: Excise Duty	<b>380,289</b>	293,955
	<b>397,762,753</b>	348,997,730
Sale of Services		
Rooms	<b>398,392,642</b>	397,502,307
Banquet Income (Only Rental Portion)	<b>23,030,495</b>	15,009,850
Communication	<b>13,225,824</b>	9,285,157
	<b>434,648,961</b>	421,797,314
Other Operating revenue	<b>70,001,558</b>	83,342,822
<b>Total</b>	<b>902,413,272</b>	854,137,865
<b>21. Other Income</b>		
Interest Income from Current Investments	—	7,238,537
Interest Income - Others *	<b>21,032,314</b>	58,049,001
Dividend on Current Investment	<b>94,772,592</b>	94,793,496
Net Gain on Sale of Current Investments	<b>105,865,540</b>	5,526,367
Profit on Sale of Fixed Assets	<b>157,400</b>	-
Excess Provision Written Back	<b>15,297,136</b>	184,237
Miscellaneous Income	<b>350,000</b>	—
<b>Total</b>	<b>237,474,982</b>	165,791,638
* includes TDS of ₹ 21,17,848/- (Previous Year - ₹ 57,75,530/-)		
<b>22. Consumption of Provisions, Beverages, Smokes &amp; Others</b>		
Wine & Liquor		
Opening Stock	<b>8,202,798</b>	11,460,693
Add : Purchases	<b>14,020,155</b>	12,295,397
	<b>22,222,953</b>	23,756,090
Less : Closing Stock	<b>8,458,048</b>	8,202,798
<b>(A)</b>	<b>13,764,905</b>	15,553,292
Food, Provisions, Other Beverages and Smokes		
Opening Stock	<b>2,972,911</b>	4,325,947
Add : Purchases	<b>80,879,255</b>	70,238,360
	<b>83,852,166</b>	74,564,307
Less : Closing Stock	<b>1,325,366</b>	2,972,911
<b>(B)</b>	<b>82,526,800</b>	71,591,396
Cost of Communication		
Cost of Calls	<b>71,709</b>	207,756
Lease Line Rentals	<b>3,605,430</b>	2,820,042
<b>(C)</b>	<b>3,677,139</b>	3,027,798
Cost of Guest Transportation		
Guest Transportation including fuel	<b>14,447,254</b>	13,214,485
Vehicle upkeep	<b>361,622</b>	1,000,957
<b>(D)</b>	<b>14,808,876</b>	14,215,442
<b>Total Cost of Consumption (A+B+C+D)</b>	<b>114,777,720</b>	104,387,928



*Asian Hotels (East) Limited*

**Notes to Financial Statements for the Year Ended 31st March 2013**

	Year Ended 31st March 2013	Amount in ₹ Year Ended 31st March 2012
<b>23. Employee Benefit Expenses</b>		
Salaries, Wages & Bonus	<b>152,943,829</b>	151,146,864
Contribution to Provident & other funds	<b>10,320,885</b>	9,858,301
Staff Welfare Expenses*	<b>16,019,355</b>	15,304,066
Recruitment & Training	<b>5,320,717</b>	2,930,960
<b>Total</b>	<b>184,604,786</b>	179,240,191
<b>*Staff Welfare expenses includes</b>		
Cost of provisions consumed in Staff Cafeteria	<b>7,771,410</b>	7,742,608
Less: Realisation on sale of food coupons to staff	—	50,160
	<b>7,771,410</b>	7,692,448
<b>24. Finance Cost</b>		
Interest on Service Tax	<b>756,734</b>	—
Interest on TDS	<b>17,712</b>	—
Interest on Entry Tax	<b>4,948</b>	—
<b>Total</b>	<b>779,394</b>	—
<b>25. Other Expenses</b>		
Contract Labour and Service	<b>26,884,293</b>	25,208,762
Room, Catering & other supplies	<b>44,632,471</b>	29,194,812
Linen & Operating equipments Consumption	<b>14,582,433</b>	4,366,410
Fuel, Power & Light	<b>111,670,867</b>	82,481,954
Repairs, Maintenance & Refurbishing**	<b>36,802,523</b>	39,010,637
Satellite & Television Charges	<b>5,040,383</b>	4,760,529
Lease Rent	<b>308,268</b>	308,268
Rates & Taxes	<b>8,178,262</b>	5,910,912
Insurance	<b>4,581,622</b>	2,212,455
Directors' Sitting Fees	<b>515,000</b>	238,000
Legal & Professional Expenses	<b>8,867,297</b>	13,403,615
Payment to Auditors	<b>761,523</b>	678,284
Printing & Stationery	<b>2,502,378</b>	2,627,495
Travelling & Conveyance***	<b>10,217,303</b>	9,889,205
Communication Expenses	<b>1,584,627</b>	1,927,669
Prior Period items	—	77,067
Technical Services	<b>33,632,302</b>	33,965,009
Advertisement & Publicity	<b>31,148,783</b>	15,226,321
Commission & Brokerage	<b>30,524,565</b>	27,682,126
Charity & Donation	<b>10,031,500</b>	4,563,700
Adjustments to Carrying Amount of Current Investments	<b>64,219</b>	-
Bank charges and Commission	<b>403,082</b>	278,657
Provision for Bad & Doubtful Debts	<b>142,030</b>	-
Loss on sale of Fixed Assets	<b>820,974</b>	2,125,017
Miscellaneous	<b>2,190,885</b>	1,672,215
<b>Total</b>	<b>386,087,590</b>	307,809,119
** Repairs, Maintenance & Refurbishing includes		
Repairs & Maintenance - Building	<b>4,859,083</b>	4,788,056
Repairs & Maintenance - Plant & Machinery	<b>16,679,086</b>	18,588,639
Repairs & Maintenance - Others	<b>15,264,354</b>	15,633,942
*** Travelling & Conveyance includes		
Travel of Directors	<b>764,179</b>	949,532

**Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**26. 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:-

	<b>31st March 2013</b>	31st March 2012
Employer's Contribution to provident Fund	<b>6,453,480</b>	5,858,859
Employer's Contribution to Pension Scheme	<b>1,938,128</b>	1,911,351

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

In accordance with Accounting Standard 15 (revised 2005), 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 8.50 % p.a. compound, has been used.

**Salary Escalation Rate**

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to 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)		Compensated absences Earned leave (Unfunded)	
	<b>31st March 2013</b>	31st March 2012	<b>31st March 2013</b>	31st March 2012
Present value of obligations as at the beginning of the year	<b>8,773,362</b>	8,121,242	<b>3,742,143</b>	1,216,030
Current service cost	<b>2,740,684</b>	2,481,028	<b>1,488,975</b>	1,710,280
Interest cost	<b>745,736</b>	690,306	<b>318,082</b>	103,363
Benefit Paid	<b>(1,731,893)</b>	(2,321,915)	<b>(745,178)</b>	(737,861)
Actuarial (gain)/ loss on obligation	<b>110,420</b>	(197,299)	<b>(867,368)</b>	1,450,331
<b>Present value of obligations as at the year end</b>	<b>10,638,309</b>	8,773,362	<b>3,936,654</b>	3,742,143

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

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	<b>31st March 2013</b>	31st March 2012	<b>31st March 2013</b>	31st March 2012
Current Service Cost	<b>2,740,684</b>	2,481,028	<b>1,488,975</b>	1,710,280
Interest Cost	<b>745,736</b>	690,306	<b>318,082</b>	103,363
Actuarial (Gain) / loss recognized during the year	<b>110,420</b>	(197,299)	<b>(867,368)</b>	1,450,331
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>3,596,840</b>	2,974,035	<b>939,689</b>	3,263,974

**Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**iii. Principal Actuarial assumptions:**

Particulars	Refer Note below	Year ended 31.03.2013	Year ended 31.03.2012
Discount rate (p.a.)	1	8.50%	9.00%
Salary Escalation Rate (p.a.)	2	8.00%	8.00%

**Notes:**

1. 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.
2. 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.
3. The gratuity plan and earned leave is unfunded.

**Demographic assumptions:**

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

	31st March 2013	31st March 2012
<b>27. Earnings per share (Basic &amp; Diluted)</b>		
<b>A. Basic</b>		
(i) Profit / (Loss) for the period	317,321,124	280,372,480
(ii) Profit Available for Equity Shareholders	317,321,124	280,372,480
(iii) Weighted average number of Equity Shares of ₹10 each	11,440,585	11,440,585
(iv) Earnings / (Loss) per share	27.74	24.51
<b>B. Diluted</b>		
(i) Profit / (Loss) for the period	317,321,124	280,372,480
(ii) Profit Available for Equity Shareholders	317,321,124	280,372,480
(iii) Weighted average number of Equity Shares of ₹10 each for diluted EPS	11,440,585	11,440,585
(iv) Earnings / (Loss) per share	27.74	24.51
<b>28. C.I.F. Value of Imports:</b>		
Stores & Spares	8,552,366	1,545,696
Capital Goods	2,629,167	696,342
Beverages through canalizing agencies	10,170,206	5,743,500
Others	—	—
<b>Total</b>	<b>21,351,739</b>	<b>7,985,538</b>
<b>29. Expenditure in Foreign Currency (on payment basis)</b>		
Technical Services	39,095,010	33,494,110
Commission & Brokerage	16,010,541	11,203,552
Training & Recruitment	1,293,977	1,159,002
Others	10,746,881	13,333,324
<b>Total</b>	<b>67,146,410</b>	<b>59,189,988</b>

**Notes to Financial Statements for the Year Ended 31st March 2013**

	31st March 2013	31st March 2012
		Amount in ₹
<b>30. Earnings in Foreign Currency (on receipt basis)</b>	<b>348,533,629</b>	334,922,037
<b>31.</b> The Company has paid dividend in respect of shares held by Non-Residents. The total amount remitted in this respect is given herein below:-		
Number of Non Resident Shareholders	659	659
Number of Equity Shares held by Non Resident Shareholders	3,938,872	3,938,872
Amount of Dividend Paid	17,724,924	17,724,924
Year to which Dividend Relates	2011-12	2010-11
<b>32. Leases:</b>		
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. 4,266,150/-.		
The future Payments for Operating lease are as follows:		
	31st March 2013	31st March 2012
Not Later than 1 year	1,431,150	—
Later than one year and not later than five years	1,085,000	—
Later than five years	—	—
<b>33.</b> As the Company is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.		
<b>34.</b> The disclosures relating to Micro, Small & Medium Enterprises Development Act, 2006 are as under :-		
i. 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.		
ii. The disclosures relating to Micro and Small Enterprises are as under :-		
	31st March 2013	31st March 2012
The principal amount remaining unpaid to supplier as at the end of the accounting year	341,453	NIL
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
<b>35. Contingent Liabilities :</b>		
<b>Contingent Liabilities</b>	<b>31st March 2013</b>	<b>31st March 2012</b>
Corporate Guarantee to IDBI Bank	2,400,000,000	—
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	6,000,000	5,000,000
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2006-07	—	112,998
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2007-08	211,767	211,767
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2008-09	528,286	528,286
VAT under West Bengal Value Added Tax Act, 2003 pertaining to F.Y. 2006-07	2,531,538	2,531,538
VAT under West Bengal Value Added Tax Act, 2003 pertaining to F.Y. 2008-09	2,197,722	2,197,722
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	4,374,000	4,374,000
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2002-03 to F.Y. 2006-07	10,217,937	10,217,937
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	26,753,749	—
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2004-05	2,180,235	2,180,235
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2007-08	243,659	—
States Consumer Disputes Redressal Commission West Bengal	9,800,000	9,800,000
<b>Commitments</b>		
Export Obligation in respect of EPCG Licences	24,301,279	24,301,279

**Notes to Financial Statements for the Year Ended 31st March 2013**

	31st March 2013	31st March 2012
<b>36. Payment to Auditors</b>		
– Statutory Audit Fees	<b>500,000</b>	500,000
– Tax Audit Fees	<b>150,000</b>	150,000
– Certification Charges	<b>5,000</b>	5,538
– Reimbursement of Expenses	<b>104,329</b>	22,746

**37.** As on date, the Company holds 91,652 Equity shares of ₹10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 58.99% 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 Regency Convention Centre and Hotels Limited amounting to ₹10,869,474 up to the Balance Sheet date which has been disclosed as Short Term Loans and Advances.

The principal assets of Regency Convention Centre and Hotels Limited comprise of an interest in a parcel of land at Mumbai, such interest being the subject matter of dispute pending in the Bombay High Court. However Regency Convention Centre and Hotels Limited, as per opinion obtained, has a reasonable chance of winning the ongoing legal dispute. Such assets form part of the Company's undertaking at book values. Meanwhile the authorities have offered alternate land and negotiations on commercial terms are in progress. Consequently in view of the above, no impairment is considered necessary.

As per the terms of agreement with the Regency Convention Centre and Hotels Limited and its shareholders, the Company has to make additional payment for acquiring the balance shares of Regency Convention Centre and Hotels Limited, the amount of which is unascertainable and dependent on the outcome of the dispute pending in the Bombay High Court.

**38.** Pursuant to the Scheme of Arrangement & Demerger, the Company had obtained approval of the Government of West Bengal for the vesting of the leasehold property upon which Hotel Hyatt Regency Kolkata is situated. Liabilities for registration of the same will be determined as and when the registration is done.

**39.** 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.

**40.** During the year, GJS Hotels Limited, a wholly owned Subsidiary of the Company has exercised its option to convert the Cumulative Redeemable Optional Convertible Preference Shares in Robust Hotels Private Limited and consequently 63,932,769 equity shares of ₹10/- each were issued to GJS Hotels Limited at a conversion price of ₹32/- per share. Subsequent to the allotment, Robust Hotels Private Limited, the owner of Hyatt Regency Chennai has become the subsidiary of GJS Hotels Limited, a wholly owned subsidiary of the Company. As a result, Robust Hotels Private Limited has become the Subsidiary of the Company w.e.f. 26th July 2012.

**41.** In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), 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

Regency Convention Centre and Hotels Limited

Robust Hotels Private Limited (was an entity over which directors or their relatives exercised significant influence / control till 26th July 2012)

(b) Key Management Personnel :

Umesh Saraf

Arun Kumar Saraf

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

(i) Nepal Travel Agency Pvt. Ltd.

(ii) Unison Hotels Private Limited

(iii) Vedic Hotels Limited

(iv) Unison Power Limited

(v) Unison Hotels South Private Limited

(vi) Juniper Hotels Private Limited

(vii) Yak & Yeti Hotels Limited, Nepal

(viii) Taragaon Regency Hotels Limited, Nepal

(ix) Saraf Investments Limited, Mauritius

(x) Saraf Industries Limited, Mauritius

(xi) Sara Hospitality Limited, Hong Kong

(xii) Juniper Investments Limited

(xiii) Chartered Hotels Private Limited

(xiv) Blue Energy Private Limited

(xv) Footsteps of Buddha Hotels Private Limited

(xvi) Sara International limited, Hong Kong

(xvii) Samra Importex Private Limited

(xviii) Forex Finance Private Limited

(xix) Saraf Hotels Limited, Mauritius

**Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

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

Transactions during the year	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
<b>Dividend Paid</b>						
Forex Finance Private Limited	—	—	—	—	14,071,824	14,071,824
Saraf Industries Limited	—	—	—	—	16,337,835	16,337,835
<b>Services Availed during the Year</b>						
Nepal Travel Agency Pvt. Ltd.	—	—	—	—	117,960	217,798
<b>Expenses Incurred (Reimbursement)</b>						
Robust Hotels Private Limited	546,363	135,499	—	—	—	—
Chartered Hotels Private Limited	—	—	—	—	210,947	—
Juniper Hotels Private Limited	—	—	—	—	17,031	—
Triumph Realty Private Limited	—	—	—	—	198,748	—
<b>Advance Given</b>						
GJS Hotels Limited	322,500,000	540,125,000	—	—	—	—
Regency Convention Centre and Hotels Limited	800,000	1,550,000	—	—	—	—
<b>Advance Repaid</b>						
GJS Hotels Limited	—	82,000,000	—	—	—	—
<b>Managerial Remuneration</b>						
Umesh Saraf	—	—	14,203,455	18,480,059	—	—
Arun Kr. Saraf	—	—	15,653,455	18,480,059	—	—
<b>Closing Balance as on 31st March, 2013</b>						
<b>Account Payables</b>						
Umesh Saraf	—	—	1,819,455	7,128,059	—	—
Arun Kr. Saraf	—	—	3,269,455	7,128,059	—	—
<b>Loans &amp; Advances given to</b>						
GJS Hotels Limited	991,025,000	668,525,000	—	—	—	—
Regency Convention Centre and Hotels Limited	10,869,474	10,069,474	—	—	—	—
Chartered Hotels Private Limited	—	—	—	—	210,947	—
<b>Investments as at year end</b>						
GJS Hotels Limited	2,346,365,000	2,346,365,000	—	—	—	—
Regency Convention Centre and Hotels Limited	257,901,724	257,901,724	—	—	—	—
Robust Hotels Private Limited	615,374,060	615,374,060	—	—	—	—

42. The Board of Directors of the Company at their meeting held on 26th November 2012 and 23rd May 2013 and in consideration of SEBI Circular Nos. CIR/CFD/DIL/5/2013 and CIR/CFD/DIL/8/2013 dated 4th February 2013 and 21st May 2013 respectively, approved the amalgamation of Forex Finance Private Limited, Promoter Body Corporate with the Company. Post amalgamation, Robust Hotels Private Limited, owner of Hyatt Regency Chennai, will be a wholly owned subsidiary of the Company; partially by having direct holding and balance through GJS Hotels Limited (wholly owned subsidiary of the Company). The Company is in the process of obtaining regulatory approvals for the amalgamation.

43. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ NIL) ₹NIL (Previous Year ₹ 2,079,031).

44. Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.

45. There are no other additional material information required to be disclosed pursuant to the provisions of the Companies Act, 1956, Schedule VI to the Companies Act, 1956, Companies (Accounting Standards) Rules, 2006 and other material applicable enactments, circulars, orders, notifications etc.

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhavar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

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

<b>Sl. No.</b>	<b>Particulars</b>	<b>GJS Hotels Limited</b>	<b>Regency Convention Centre And Hotels Limited</b>	<b>Robust Hotels Private Limited</b>
1	Financial Year of the Subsidiary ended on	31-Mar-13	31-Mar-13	31-Mar-13
2	Date from which it became subsidiary	31-Oct-09	31-Oct-09	26-Jul-12
3	(a) Number of shares in the subsidiary held by the Holding Company in its own name / name of the nominee(s) at the end of the previous financial year of the subsidiary  (b) Extent of interest of the Holding Company at the end of the previous financial year of the subsidiary	10,961,000  100%	91,652  58.994%	N.A.  68.06%
4	The net aggregate amount of the subsidiary company's profit / (loss) so far it concerns the members of the Holding Company and is not dealt with in the Holding Company's Accounts :  (a) for the subsidiary's financial year ended on 31-Mar-2013 (b) for prior years since becoming subsidiary	(890,494) 19,425,405	(23,211) (107,357)	(209,446,267) —
5	The net aggregate amount of the subsidiary company's profit / (loss) so far it concerns the members of the Holding Company and has been dealt with in the Holding Company's Accounts :  (a) for the subsidiary's financial year ended on 31-Mar-2013 (b) for prior years since becoming subsidiary	Nil Nil	Nil Nil	Nil Nil
6	Changes, if any, in the Holding Company's interest in the subsidiary between the end of the previous financial year of the subsidiary and the end of the previous financial year of the Holding Company	Nil	Nil	Nil
7	Details of material changes, if any, which occurred between the end of the previous financial year of the subsidiary and the end of previous financial year of Holding Company, in respect of :  (a) The subsidiary's Fixed Assets (b) The subsidiary's Investments (c) The moneys lent by it (d) The moneys borrowed by it for any purpose other than that of meeting Current Liabilities	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhawar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

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

Sl. No.	Particulars	GJS Hotels Limited	Regency Convention Centre and Hotels Limited	Robust Hotels Private Limited
1	Issued and Subscribed Share Capital	109,610,000	1,553,570	1,369,427,690
2	Reserves	2,255,289,911	(221,339)	845,957,545
3	Total Assets	3,355,966,955	16,844,401	7,425,288,762
4	Total Liabilities	3,355,966,955	16,844,401	7,425,288,762
5	Investments - Long Term	—	—	6,524,000
6	Investments - Current	—	—	—
7	Investments - Total	—	—	6,524,000
8	Turnover	13,593	—	901,257,155
9	Profit / (Loss) before Taxation	(890,494)	(113,982)	(452,496,898)
10	Provision for Taxation	—	—	58,518
11	Profit After Taxation	(890,494)	(113,982)	(452,555,416)
12	Proposed Dividend	—	—	—

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhavar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary



*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF ASIAN HOTELS (EAST) LIMITED**

**Report on the Consolidated Financial Statements**

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

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

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

- i) In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Asian Hotels (East) limited and its subsidiary companies as at 31st March, 2013;
- ii) In the case of Consolidated Statement of Profit and Loss, of the consolidated results of operation of Asian Hotels (East) limited and its subsidiary companies for the year ended on that date; and
- iii) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Asian Hotels (East) limited and its subsidiary companies for the year ended on that date.

**Other Matter**

We did not audit the financial statements of subsidiary companies whose financial statements reflect total assets of ₹ 81,182.73 Lakhs as at 31st March 2013, total revenues of ₹ 6,128.68 Lakhs and net cash outflow of ₹ 199.55 Lakhs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion; in so far as it relates to the amounts included in respect of the subsidiary companies are based solely on the report of the other auditors.

Our opinion is not qualified in this respect.

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No: 000756N

**K K Tulshan**  
Partner  
Membership No: 085033

Place: Kolkata  
Date: 23rd May 2013

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**  
**CONSOLIDATED BALANCE SHEET as at 31st March 2013**

	Note	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUND</b>			
(a) Share Capital	4	<b>114,405,850</b>	114,405,850
(b) Reserves & Surplus	5	<b>7,876,105,360</b>	7,828,978,611
		<b>7,990,511,210</b>	7,943,384,461
<b>MINORITY INTEREST</b>			
		<b>570,845,119</b>	637,050
<b>NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	6	<b>3,343,055,866</b>	—
(b) Deferred tax liabilities (Net)	7	<b>220,598,735</b>	210,648,195
(c) Other Long Term Liabilities	8	<b>10,493,618</b>	—
(d) Long-term Provisions	9	<b>22,246,361</b>	12,263,058
		<b>3,596,394,580</b>	222,911,253
<b>CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	10	<b>53,817,573</b>	4,615,784
(b) Trade Payables	11	<b>236,939,117</b>	76,066,777
(c) Other Current Liabilities	12	<b>414,424,900</b>	51,105,073
(d) Short -term Provisions	13	<b>60,346,186</b>	60,086,847
		<b>765,527,776</b>	191,874,481
<b>Total</b>		<b>12,923,278,685</b>	8,358,807,245
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	14	<b>8,237,131,891</b>	1,578,164,887
(ii) Intangible Assets		<b>1,092,240,993</b>	256,985,204
(iii) Capital Work-in-Progress		<b>19,537,747</b>	15,774,447
(b) Non-Current Investments	15	<b>6,524,000</b>	2,661,222,685
(c) Long-term Loans and Advance	16	<b>87,706,303</b>	55,432,659
		<b>9,443,140,934</b>	4,567,579,882
<b>CURRENT ASSETS</b>			
(a) Current Investments	17	<b>2,573,811,662</b>	2,954,368,219
(b) Inventories	18	<b>30,710,808</b>	17,214,440
(c) Trade Receivable	19	<b>102,467,311</b>	30,701,118
(d) Cash and Bank Balances	20	<b>78,419,289</b>	656,131,819
(e) Short-term Loans and Advances	21	<b>658,332,557</b>	99,050,930
(f) Other Current Assets	22	<b>36,396,124</b>	33,760,837
		<b>3,480,137,751</b>	3,791,227,363
<b>Total</b>		<b>12,923,278,685</b>	8,358,807,245
Notes forming part of Financial Statements	1-49		

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhawar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2013**

	Note	Year Ended 31st March 2013	Amount in ₹ Year Ended 31st March 2012
<b>I INCOME</b>			
(a) Revenue from Operations	23	<b>1,511,116,953</b>	854,137,865
(b) Other Income	24	<b>241,639,760</b>	165,792,908
		<b>1,752,756,713</b>	1,019,930,773
<b>II EXPENDITURE</b>			
(a) Consumption of Provisions, Beverages, Smokes & Others	25	<b>200,951,511</b>	104,387,928
(b) Employee Benefit Expense	26	<b>318,634,502</b>	179,626,886
(c) Finance Cost	27	<b>306,332,537</b>	—
(d) Depreciation and Amortization Expenses	14	<b>186,847,799</b>	68,503,726
(e) Other Expenses	28	<b>660,484,837</b>	308,197,960
		<b>1,673,251,186</b>	660,716,500
<b>III PROFIT BEFORE TAX (I - II)</b>		<b>79,505,527</b>	359,214,273
<b>IV TAX EXPENSE</b>			
(a) Current Tax		<b>56,384,086</b>	80,158,486
(b) Deferred Tax		<b>9,950,540</b>	(552,423)
(c) Tax adjustments for earlier years		<b>4,591,936</b>	—
<b>V PROFIT AFTER TAX (before adjustment for Minority Interest) (III - IV)</b>		<b>8,578,965</b>	279,608,210
Add: Share of Loss transferred to Minority Interest		<b>98,382,187</b>	—
<b>VI PROFIT AFTER TAX (after adjustment for Minority Interest)</b>		<b>106,961,152</b>	279,608,210
<b>VII EARNING PER SHARE</b>	29		
(a) Basic		<b>9.35</b>	24.44
(b) Diluted		<b>9.35</b>	24.44
Notes forming part of Financial Statements	1-49		

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf** Joint Managing Director  
**Umesh Saraf** Joint Managing Director  
**Rama Shankar Jhavar** Director  
**Padam K Khaitan** Director  
**Ramesh Chokhani** Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March 2013**

	Year Ended 31st March, 2013	Amount in ₹ Year Ended 31st March, 2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	79,505,527	359,214,273
Adjustment for :		
Depreciation/amortization	186,847,799	68,503,726
Loss/(profit) on sale of fixed assets	2,356	2,125,017
Excess Provision written back	(15,344,735)	—
Miscellaneous Balance Written off	40,005	—
Adjustment to Carrying Amount of Investment	64,219	—
Bad Debt written off	412,617	—
Pre operative expenses written off	5,048,898	—
Interest expenses	305,553,142	—
Preliminary expenses written off	17,680	—
Provision for bad and doubtful debts written back	(211,418)	(184,237)
Provision for leave benefits	3,036,978	2,526,113
Provision for gratuity	1,890,349	652,120
Liability provided for statutory authorities	(6,281,799)	—
Net loss/(gain) on sale of current investments	(105,865,540)	(5,526,367)
Interest income	(22,322,601)	(65,287,538)
Dividend income	(94,772,592)	(94,793,496)
<b>Operating profit before working capital changes</b>	<b>337,620,885</b>	<b>267,229,611</b>
Movements in working capital :		
Increase/(decrease) in trade payables	66,121,070	9,616,732
Increase/(decrease) in other current liabilities	25,326,337	6,817,380
Increase/(decrease) in other long term liabilities	10,197,250	—
Decrease/(increase) in trade receivables	(43,355,255)	(8,042,759)
Decrease/(increase) in inventories	(4,189,317)	3,814,977
Decrease/(increase) in other current assets	21,824,182	—
Decrease / (increase) in long term loans and advances	(10,762,359)	(1,880,000)
Decrease / (increase) in short term loans and advances	(15,778,498)	11,415,615
<b>Cash generated from / (used in) operations</b>	<b>387,004,295</b>	<b>288,971,556</b>
Direct taxes paid (net of refunds)	(68,705,490)	(78,922,650)
<b>NET CASH FLOW FROM/ (USED IN) OPERATING ACTIVITIES (A)</b>	<b>318,298,805</b>	<b>210,048,906</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for fixed assets	(181,204,594)	(9,623,480)
Decrease / (Increase) in Capital Advance	2,229,784	—
Proceeds from sale of fixed assets	10,253,931	774,000
Purchase of current investments	(1,245,100,738)	(3,351,342,049)
Proceeds from sale/maturity of current investments	797,867,176	3,763,906,553
Short term loans and advances given	(210,947)	(75,000,000)
Interest received	17,894,606	36,209,794
Dividend received	94,772,592	94,793,496
<b>NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES (B)</b>	<b>(503,498,190)</b>	<b>459,718,314</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest and finance charges paid	(352,959,378)	—
Repayment of long term borrowings	(32,142,000)	—
Proceeds from short term borrowings	5,180,588	—
Dividend paid on shares	(50,905,372)	(50,631,606)
Tax on dividend paid	(8,351,770)	(8,324,329)
<b>NET CASH FLOW FROM/(USED IN) IN FINANCING ACTIVITIES (C)</b>	<b>(439,177,932)</b>	<b>(58,955,935)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>(624,377,317)</b>	<b>610,811,285</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (Refer Note 20)</b>	<b>656,131,819</b>	<b>45,320,534</b>
<b>ADD: CASH INFLOW OF ROBUST HOTELS PRIVATE LIMITED (Refer Note 47)</b>	<b>46,664,787</b>	<b>—</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 20)</b>	<b>78,419,289</b>	<b>656,131,819</b>

Notes forming part of Consolidated Financial Statements

1-49

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**

Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**

Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

**Arun K Saraf**

Joint Managing Director

**Umesh Saraf**

Joint Managing Director

**Rama Shankar Jhawar**

Director

**Padam K Khaitan**

Director

**Ramesh Chokhani**

Director

**Bimal K Jhunjunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

#### **1. Corporate Information**

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.

#### **2. Basis of preparation**

The financial statements have been prepared to comply with all material respects with the mandatory Accounting Standards (AS) notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

#### **3. Significant Accounting Policies**

##### **a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting 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.

##### **b. Tangible Fixed Assets**

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

##### **c. Depreciation**

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. 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. No depreciation is charged for the quarter on the assets sold/ discarded during the year.

##### **d. Impairment of Tangible Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. Value in use is determined for assets or group of assets which are capable of generating independent cash flows i.e. cash generating units.

##### **e. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

##### **f. Borrowing Cost**

Borrowing costs that are directly attributable to acquisition or construction of an asset that necessarily takes substantial period of time to get ready for its intended use, have been capitalised/allocated as part of such assets.

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

**g. Inventories**

Inventory is valued at cost or net realizable value, whichever is lower. Net realizable value is the estimated realizable value in the normal course of business less the estimated costs necessary to make the sale.

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

Shares held as Stock-in-trade are valued at cost or market value whichever is lower.

**h. Revenue Recognition**

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

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

**i. Foreign Currency Transaction**

**Initial recognition**

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

**Conversion**

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

**Exchange differences**

Exchange differences are recognized as income or as expenses in the period in which they arise.

**Income in Foreign Exchange**

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

**Expenses remittable in foreign exchange**

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

**j. Retirement and other employee benefits**

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.

All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

**k. Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### **i. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share 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 rights 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 earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **m. Provisions**

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### **n. Contingent Liabilities**

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

#### **o. Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprises cash at bank and in hand and short term investments with an original maturity of three months or less.

#### **p. Dividend**

Dividend recommended by the Board of Directors, if any, is provided for in the accounts pending shareholders approval.

#### **q. Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) "Consolidated Financial Statements".

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

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>% of Holding as on 31-March 2013</b>
GJS Hotels Limited	India	100
Regency Convention Centre & Hotels Limited	India	58.99
Robust Hotels Private Limited	India	68.06

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 and shown as part of fixed assets to the extent not impaired in the books of the Company.

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

4. Share Capital	Amount in ₹	
	As at 31st March 2013	As at 31st March 2012
<b>Authorised Shares</b>		
14,000,000 (31st March 2012: 14,000,000) Equity Shares of ₹10/- each	<b>140,000,000</b>	140,000,000
1,000,000 (31st March 2012: 1,000,000) Preference Shares of ₹10/- each	<b>10,000,000</b>	10,000,000
<b>Total</b>	<b>150,000,000</b>	150,000,000
<b>Issued, Subscribed and Paid-up</b>		
11,440,585 (Previous Year : 11,440,585) Equity Shares of ₹10/- each	<b>114,405,850</b>	114,405,850
	<b>114,405,850</b>	114,405,850

**4.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	<b>11,440,585</b>	<b>114,405,850</b>	11,401,782	114,017,820
Issued during the year (refer note 4.2)	—	—	38,803	388,030
Deducted during the year	—	—	—	—
<b>At the end of the year</b>	<b>11,440,585</b>	<b>114,405,850</b>	11,440,585	114,405,850
<b>1% Cumulative Fully Convertible Preference Shares (FCPS)</b>	<b>As at 31st March 2013</b>		As at 31st March 2012	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	—	—	27,780	277,800
Issued during the year	—	—	—	—
Redemption / Conversion during the year (refer note 4.2)	—	—	27,780	277,800
<b>At the end of the year</b>	—	—	—	—

**4.2 Conversion of Fully Convertible Preference Shares :** The Company vide Circular Resolution dated 30th April 2011, has issued and allotted fresh 38,910 equity shares of ₹10 each at a price of ₹ 385.53 per share (including security premium of ₹ 375.53 per share) to the holders of Fully Convertible Preference Shares (FCPS) holding 27,780 FCPS on conversion in terms of Clause 5.3.1 of the Scheme of Arrangement and Demerger between Asian Hotels Limited (Transferor Company) now renamed as Asian Hotels (North) Limited and its shareholders and creditors; Chillwinds Hotels Limited (Transferee Company-I) now renamed as Asian Hotels (West) Limited and its shareholders; and Vardhman Hotels Limited (Transferee Company-II) now renamed as Asian Hotels (East) Limited and its shareholders read with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Subsequently, the Company made applications to Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed, for obtaining the in principle approval for the said issue and allotment of 38,910 equity shares.

While dealing with the Company's application for issue of in-principle approval by BSE and NSE, the Company was directed by them, to revise the issue price of ₹ 385.53. Accordingly, the Board of Directors of the Company considered the directions of the Stock Exchanges and revised the earlier issue price from ₹ 385.53 to ₹ 386.59 and consequently issued and allotted 38,803 equity shares of ₹10 each of the Company with effect from 30th April, 2011, vide its Circular Resolution dated 4th July, 2011, in suspension to its earlier Board Resolution dated 30th April, 2011.

**4.3 Terms / rights attached to Equity Shares**

**Equity Shares**

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**Preference Shares**

The rights, preferences and restrictions attached to the preference shares are in accordance with the provisions of the Companies Act, 1956, unless stated otherwise.

**4.4 Details of shareholders holding more than 5% of the aggregate shares in the Company**

Equity Shares	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Saraf Industries Limited	3,630,630	31.73	3,630,630	31.73
Forex Finance Private Limited	3,127,072	27.33	3,127,072	27.33
Jesmin Investments Limited	693,851	6.06	693,851	6.06
Axis Bank Limited	636,065	5.56	620,974	5.43

**4.5** 1,14,01,782 (Previous Year 1,14,01,782) equity shares of ₹10 each fully paid up have been issued during the fiscal year ended 31st March 2010 pursuant to the scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi vide order dated 13th January 2010.

**5. Reserves and Surplus**

	As at 31st March 2013	As at 31st March 2012
<b>Capital Reserve</b>	<b>141,043</b>	141,043
<b>Capital Redemption Reserve</b> (for redeemed Non Convertible Preference Shares -NCPS)	<b>2,000,000</b>	2,000,000
<b>Securities Premium Account</b>		
Opening Balance	<b>14,612,822</b>	14,723,400
Add: Created on conversion of 27,780 1% cumulative fully convertible preference share of ₹ 10 each into 38,803 equity shares of ₹10 each at a premium of ₹ 376.59 each per equity share	—	14,612,822
Less: Utilized for conversion of 27,780 1% cumulative fully convertible Preference share of ₹10 each at a premium of ₹530 each	—	14,723,400
<b>Closing Balance</b>	<b>14,612,822</b>	14,612,822
<b>Tourism Development Utilized Reserve</b>		
Opening Balance	<b>533,202,000</b>	533,202,000
Less: Transferred to General Reserve	<b>533,202,000</b>	—
<b>Closing Balance</b>	—	533,202,000
<b>General Reserve</b>		
Opening Balance	<b>5,839,878,503</b>	5,811,841,255
Add: Transferred from Tourism Development Utilized Reserve	<b>533,202,000</b>	—
Add: Transferred from Statement of Profit & Loss	<b>31,732,112</b>	28,037,248
<b>Closing Balance</b>	<b>6,404,812,615</b>	5,839,878,503
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	<b>1,439,144,243</b>	1,247,407,681
Add: Profit for the Year	<b>106,961,152</b>	279,608,210
Less: Appropriations-		
Amount transferred to General Reserve	<b>31,732,112</b>	28,037,248
Proposed dividend on Equity Shares*	<b>51,482,633</b>	51,482,630
Corporate Dividend Tax	<b>8,351,770</b>	8,351,770
<b>Closing Balance</b>	<b>1,454,538,880</b>	1,439,144,243
<b>Total</b>	<b>7,876,105,360</b>	7,828,978,611

\* The Board of Directors at their meeting held on 23rd May 2013 has recommended a dividend of ₹ 4.50 per share (Previous Year ₹ 4.50 per share)

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	Amount in ₹ As at 31st March 2012.
<b>6. Long Term Borrowings</b>		
<b>Secured - Term Loans</b>		
<b>From IDBI Bank - Loan I (refer note 'a' &amp; 'b' below)</b>		
Gross Amount	1,729,123,866	—
Less: Repayable within one year	128,568,000	—
	<b>1,600,555,866</b>	—
<b>From IDBI Bank - Loan II (refer note 'a' &amp; 'b' below)</b>		
Gross Amount	250,000,000	—
Less: Repayable within one year	7,500,000	—
	<b>242,500,000</b>	—
<b>From HDFC Bank (refer note 'a' &amp; 'b' below)</b>		
Gross Amount	1,500,000,000	—
Less: Repayable within one year	—	—
	<b>1,500,000,000</b>	—
<b>Total</b>	<b>3,343,055,866</b>	—

**a) Security Clause**

The above term loans are secured by pari passu 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 & machineries, furniture & fittings installed/to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamil Nadu. Above securities are ranking pari passu for the Bank Guarantee facility granted by IDBI Bank Limited. Further the above term loans are also secured by second charge on all book debts, operating cash flows, revenues, commission and receivables of the Company both present and future, ranking pari passu with each other. The Term Loan I from IDBI Bank Ltd is further secured by corporate guarantee of Forex Finance Private Limited and also by Asian Hotels (East) Limited and Term Loan II is further secure by Corporate Guarantee of Asian Hotels (East) Limited. The term loan from HDFC Limited is further secured by corporate guarantee of Forex Finance Private Limited.

**b) Terms of Repayment**

**i) IDBI Bank -Loan-I @ 12.50% p.a.: The loan is repayable in 24 Quarterly Installments being:**

6 quarterly installments of ₹ 3,21,42,000/- each commencing from April 1, 2013 and ending on July 1, 2014, 6 quarterly installments of ₹ 6,42,86,000/- each commencing from October 1, 2014 and ending on January 1, 2016, 11 quarterly installments of ₹ 9,64,29,000/- each commencing from April 1, 2016 and ending on October 1, 2018 and balance in Last installment of ₹ 8,98,36,866/- on January 1, 2019.

**ii) IDBI Bank -Loan-II @ 12.50% p.a.: The loan is repayable in 32 Quarterly Installments being:**

20 quarterly installments of ₹ 37,50,000/- each commencing from October 1, 2013 and ending on July 1, 2018, 6 quarterly installments of ₹ 83,33,000/- each commencing from October 1, 2018 and ending on January 1, 2020, 5 quarterly installments of ₹ 2,08,33,000/- each commencing from April 1, 2020 and ending on July 1, 2021 and balance in Last installment of ₹ 2,08,37,000 on October 1, 2021.

**iii) HDFC Limited @ 13.59% p.a.: The loan is repayable in 42 Quarterly Installments as being:**

2 Quarterly installment of ₹ 93,00,000 each commencing from 1st January, 2015 and ending on 30th June, 2015, 4 Quarterly installment of ₹ 94,50,000 each commencing from 1st July, 2015 and ending on 30th June, 2016, 4 Quarterly installment of ₹ 1,50,00,000 each commencing from 1st July, 2016 and ending on 30th June, 2017, 4 Quarterly installment of ₹ 1,95,00,000 each commencing from 1st July, 2017 and ending on 30th June, 2018, 4 Quarterly installment of ₹ 2,53,50,000 each commencing from 1st July, 2018 and ending on 30th June, 2019, 4 Quarterly installment of ₹ 3,09,00,000 each commencing from 1st July, 2019 and ending on 30th June, 2020, 4 Quarterly installment of ₹ 3,75,00,000 each commencing from 1st July, 2020 and ending on 30th June, 2021, 4 Quarterly installment of ₹ 4,50,00,000 each commencing from 1st July, 2021 and ending on 30th June, 2022 and 12 Quarterly installment of ₹ 6,25,50,000 each commencing from 1st July, 2022 and ending on 30th June, 2025 as per revised Repayments Schedule letter dated August 16, 2012. (Earlier repayable in 32 Quarterly Installments being: 8 equal quarterly installments of ₹ 2,58,33,333 each commencing from September 30, 2012 and ending on June 30, 2014, 23 equal quarterly installments of ₹ 5,38,92,857 each commencing from September 30, 2014 and ending on March 31, 2020 and balance in Last installment of ₹ 5,37,97,625 on June 30, 2020).

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>7. Deferred Tax Liabilities (net)</b>		
<b>Deferred tax liabilities :-</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged in the financial reporting	<b>228,026,043</b>	217,311,373
Gross deferred tax liabilities	<b>228,026,043</b>	217,311,373
<b>Deferred tax assets :-</b>		
Gratuity Payable	<b>3,615,961</b>	2,846,517
Leave Encashment Payable	<b>1,338,069</b>	1,214,138
Rates & Taxes	<b>546,718</b>	—
Bonus Payable	<b>778,384</b>	1,281,620
Demerger Expenses u/s 35DD	<b>283,904</b>	541,998
Provision for doubtful debts and advances	<b>864,272</b>	778,905
Gross deferred tax assets	<b>7,427,308</b>	6,663,178
<b>Net Deferred Tax Liabilities</b>	<b>220,598,735</b>	210,648,195
<b>8. Other Long Term Liabilities</b>		
Trade Payable	<b>9,192,250</b>	—
Others -		
Security Deposit Received	<b>1,005,000</b>	—
Stale Cheque Liabilities	<b>296,368</b>	—
<b>Total</b>	<b>10,493,618</b>	—
<b>9. Long Term Provisions</b>		
Provision for employee benefits		
Provision for gratuity (refer note 30)	<b>18,430,923</b>	8,634,424
Provision for leave benefits (refer note 30)	<b>3,815,438</b>	3,628,634
<b>Total</b>	<b>22,246,361</b>	12,263,058
<b>10. Short Term Borrowings</b>		
<b>Unsecured</b>		
From other parties - interest free borrowing repayable on demand	<b>4,615,784</b>	4,615,784
<b>Secured</b>		
Cash Credit		
- From IDBI Bank Limited (Interest Rate: 12.75% p.a.)(refer note below)	<b>49,201,789</b>	—
<b>Total</b>	<b>53,817,573</b>	4,615,784

Secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumables stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge by way of hypothecation of entire movable properties including movable machineries, tools & accessories present and further secured by second charge by way of Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 and by Corporate Guarantee of Asian Hotels (East) Limited.

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	Amount in ₹	
	As at 31st March 2013	
	As at 31st March 2012.	
<b>11. Trade Payables</b>		
Trade Payable (including acceptances) (refer note 37 for details of dues to micro and small enterprise)	236,939,117	76,066,777
<b>Total</b>	<b>236,939,117</b>	76,066,777
<b>12. Other Current Liabilities</b>		
Advance from Customers	27,297,570	26,258,892
Current Maturities of Long Term Debt		
From IDBI Bank - Loan I (refer note 6b)	128,568,000	—
From IDBI Bank - Loan II (refer note 6b)	7,500,000	—
Salary Payable	8,065,854	18,529,150
Unpaid Dividend	1,703,953	1,126,692
Book Overdraft with Bank	364,709	—
Interest Accrued but not due	21,353,967	—
Interest Accrued and due *	73,914,165	—
Other Payables -		
Statutory Dues	20,806,879	4,535,626
Others	124,849,803	654,713
<b>Total</b>	<b>414,424,900</b>	51,105,073
* Includes disputed liability of ₹1,28,43,650/- payable on Term Loan		
<b>13. Short Term Provisions</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 30)	353,211	138,938
Provision for leave benefits (refer note 30)	158,572	113,509
	<b>511,783</b>	252,447
<b>Other provisions</b>		
Proposed equity dividend	51,482,633	51,482,630
Dividend tax	8,351,770	8,351,770
	<b>59,834,403</b>	59,834,400
<b>Total</b>	<b>60,346,186</b>	60,086,847

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**14. Fixed Assets**

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value	
	Balance as at 1st April 2012	Additions **	Deduction during the year	Balance as at 31 March 2013	Balance as at 1st April 2012	Depreciation for the period***	Deduction during the year	Balance as at 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
<b>Tangible Assets</b>										
Lease Hold Land	326,552,948	438,866	—	<b>326,991,814</b>	—	—	—	—	<b>326,991,814</b>	326,552,948
Free Hold Land	1,549,261,920	—	7,695,123*	<b>1,541,566,797</b>	—	—	—	—	<b>1,541,566,797</b>	—
Buildings	984,935,207	3,090,610,044	—	<b>4,075,545,251</b>	147,866,581	59,737,325	—	<b>207,603,906</b>	<b>3,867,941,345</b>	837,068,626
Plant & Equipment	708,385,984	1,670,067,500	338,637	<b>2,378,114,847</b>	325,502,200	114,719,479	110,045	<b>440,111,634</b>	<b>1,938,003,213</b>	381,874,107
Furniture and Fixtures	176,011,931	577,755,270	447,543	<b>753,319,658</b>	147,702,113	60,984,763	295,025	<b>208,991,851</b>	<b>544,927,807</b>	25,562,870
Vehicles	20,077,188	—	6,151,701	<b>13,925,487</b>	12,925,020	1,059,970	4,344,748	<b>9,640,242</b>	<b>4,285,245</b>	7,106,336
Office Equipments	1,128,677	14,085,363	61,940	<b>15,152,100</b>	286,346	1,450,084	—	<b>1,736,430</b>	<b>13,415,670</b>	—
<b>Total</b>	<b>3,766,353,855</b>	<b>5,352,957,043</b>	<b>14,694,944</b>	<b>9,104,615,954</b>	<b>634,282,260</b>	<b>237,951,621</b>	<b>4,749,818</b>	<b>967,484,063</b>	<b>8,237,131,891</b>	<b>1,578,164,887</b>
<i>Previous Year</i>	<i>2,205,516,396</i>	<i>8,459,399</i>	<i>8,074,996</i>	<i>2,205,900,799</i>	<i>564,408,165</i>	<i>68,503,726</i>	<i>5,175,979</i>	<i>627,735,912</i>	<i>1,578,164,887</i>	<i>1,641,108,231</i>
Capital Work-in-progress	15,774,447	24,405,499	20,642,199	<b>19,537,747</b>	—	—	—	—	<b>19,537,747</b>	15,774,447
<i>Previous Year</i>	<i>15,774,447</i>	—	—	<i>15,774,447</i>	—	—	—	—	<i>15,774,447</i>	<i>15,774,447</i>
<b>Total</b>	<b>3,782,128,302</b>	<b>5,377,362,542</b>	<b>35,337,143</b>	<b>9,124,153,701</b>	<b>634,282,260</b>	<b>237,951,621</b>	<b>4,749,818</b>	<b>967,484,063</b>	<b>8,256,669,638</b>	<b>1,593,939,334</b>
<i>Previous Year</i>	<i>2,221,290,843</i>	<i>8,459,399</i>	<i>8,074,996</i>	<i>2,221,675,246</i>	<i>564,408,165</i>	<i>68,503,726</i>	<i>5,175,979</i>	<i>627,735,912</i>	<i>1,593,939,334</i>	<i>1,656,882,678</i>
<b>Intangible Assets</b>										
Softwares	67,414	34,599,339	67,414	<b>34,599,339</b>	67,414	6,033,556	67,414	<b>6,033,556</b>	<b>28,565,783</b>	—
Goodwill on consolidation	256,985,204	806,690,006	—	<b>1,063,675,210</b>	—	—	—	—	<b>1,063,675,210</b>	256,985,204
<b>Total</b>	<b>257,052,618</b>	<b>841,289,345</b>	<b>67,414</b>	<b>1,098,274,549</b>	<b>67,414</b>	<b>6,033,556</b>	<b>67,414</b>	<b>6,033,556</b>	<b>1,092,240,993</b>	<b>256,985,204</b>
<i>Previous Year</i>	<i>256,985,204</i>	—	—	<i>256,985,204</i>	—	—	—	—	<i>256,985,204</i>	<i>256,985,204</i>
<b>Total</b>	<b>4,039,180,920</b>	<b>6,218,651,887</b>	<b>35,404,557</b>	<b>10,222,428,250</b>	<b>634,349,674</b>	<b>243,985,177</b>	<b>4,817,232</b>	<b>973,517,619</b>	<b>9,348,910,631</b>	<b>1,850,924,538</b>
<i>Previous Year</i>	<i>2,478,276,047</i>	<i>8,459,399</i>	<i>8,074,996</i>	<i>2,478,660,450</i>	<i>564,408,165</i>	<i>68,503,726</i>	<i>5,175,979</i>	<i>627,735,912</i>	<i>1,850,924,538</i>	<i>1,913,987,882</i>
<b>Share of Holding Company</b>										
<b>Current Year</b>						<b>186,847,799</b>				
<i>Previous Year</i>						<i>68,503,726</i>				

\* Proportionate Cost of Land acquired by Chennai Metro Rail under Land Acquisition proceedings.

\*\* Includes pre-operative expenses(net) of ₹ 62,72,32,530/-

\*\*\* Includes pre acquisition depreciation of ₹ 5,71,37,378/-

**15. Non-Current Investments**

**Trade, Unquoted, Fully Paid Up**

**In Preference Shares of Related Party - Robust Hotels Private Limited (Refer Note 41)**

43,00,000 12% Cumulative Redeemable Preference Shares of ₹100/- each	—	615,374,060
Nil (Previous Year : 8,119,575 ) 0.001% Cumulative Redeemable Optionally Convertible Preference Shares of ₹10/- each	—	1,745,708,625
Nil (Previous Year : 1,396,000) 1% Cumulative Redeemable Optionally Convertible Preference Shares of ₹ 10 each	—	300,140,000

**Non Trade, Unquoted, Fully Paid Up**

**In Equity Shares**

6,50,000 (Previous Year : Nil)Shares of ₹10/- each of Maple Renewable Power Private Limited	<b>6,500,000</b>	—
---	------------------	---

**In Government Securities**

National Saving Certificates	<b>24,000</b>	—
------------------------------	---------------	---

**Total**

<b>6,524,000</b>	2,661,222,685
------------------	---------------

Aggregate amount of Unquoted Investment

<b>6,524,000</b>	2,661,222,685
------------------	---------------

Aggregate amount of Provision for diminution in value of Investment

—	—
---	---

**16. Long Term Loans and Advances**

(Unsecured, considered good)

Capital Advances	—	3,249,784
Security Deposits	<b>22,084,983</b>	3,333,745
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Limited	<b>33,448,275</b>	33,448,275
Advances recoverable in cash or kind or for value to be received	<b>84,770</b>	84,770
Other Loans and Advances:		
Advance Tax & TDS {Net of Provision for taxation of ₹199,376,616/- (Previous Year : ₹191,500,439 )}	<b>32,088,275</b>	15,316,085
<b>Total</b>	<b>87,706,303</b>	55,432,659

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	As at 31st March 2012
Amount in ₹		
<b>17. Current Investments</b>		
<b>Non-Trade, Unquoted</b>		
<b>In Equity Shares, Fully paid up</b>		
700 (Previous Year - NIL) shares of Capital First Limited (Face Value ₹1 each)	93,329	—
2,000 (Previous Year - NIL) shares of City Union Bank Limited - EQ (Face Value ₹1 each)	105,100	—
6,000 (Previous Year - NIL) shares of City Union Bank Limited - E2 (Face Value ₹1 each)	242,700	—
90 (Previous Year - NIL) shares of GMM Pfaudler Limited (Face Value ₹2 each)	7,544	—
1,000 (Previous Year - NIL) shares of KPIT Cummins Infosystems Limited (Face Value - ₹2 each)	96,700	—
1,156 (Previous Year - NIL) shares of Mahindra Holidays & Resorts Limited (Face Value ₹10 each)	297,034	—
525 (Previous Year - NIL) shares of Mazda Limited (Face Value ₹10 each)	60,611	—
2,000 (Previous Year - NIL) shares of Orient Refractories Limited (Face Value ₹1 each)	77,100	—
8,000 (Previous Year - NIL) shares of South Indian Bank (Face Value ₹1 each)	196,000	—
8,000 (Previous Year - NIL) shares of The Paper Products Limited (Face Value ₹2 each)	124,600	—
4,000 (Previous Year - NIL) shares of Wintac Limited (Face Value ₹10 each)	372,670	—
<b>Total (A)</b>	<b>1,673,388</b>	<b>—</b>
<b>Market Value as on 31st March 2013 is ₹16,93,984/- ( 2011-2012 : Nil)</b>		
<b>Non-Trade, Unquoted, Fully paid up</b>		
	As at 31st March 2013 No. of Units	As at 31st March 2012 No. of Units
	As at 31st March 2013 ₹	As at 31st March 2012 ₹
<b>In Mutual Funds (Face Value of ₹10 each, unless otherwise stated)</b>		
Birla Sun Life Cash Plus -DDR (Face Value ₹100 each)	926,469	—
Birla Sunlife Fixed TermPlan-Series ET -Growth	21,296,534	21,296,534
BSL Fixed Term Plan Series DX-Growth	—	4,604,329
DSP Black Rock FMP Series-35-3M	—	1,800,000
DSP BlackRock Liquidity Fund-Inst.-DDR (Face Value ₹1000 each)	378,714	—
DWS Fixed Term Fund-Series 88-Growth Plan	—	15,000,000
DWS Insta Cash Plus Fund - DDR (Face Value ₹100 each)	1,700,037	—
DWS Treasury Fund Investment	—	810,249
HDFC FMP 370D April 2012(1)-Growth-Series XXI	11,021,399	—
HDFC FMP 370D December 2011(I)-Growth	—	8,254,644
HDFC FMP 391D March 2012(1)-Growth Series XXI	1,784,913	1,784,913
HDFC Liquid Fund - DDR	13,440,752	—
ICICI Prudential Fixed Maturity Plan-Series 54	—	10,000,000
ICICI Prudential FMP Series 55 -1 Year Plan	—	12,500,000
ICICI Prudential Long Term Plan Premium Plus-Cumulative	11,523,403	—
IDFC Money Manager Fund - Treasury Plan A - DDR	11,386,844	—
Kotak Bond Scheme Plan A - Growth	9,565,503	—
Kotak Floater Long Term-DDR	16,234,734	993,983
Kotak FMP Series 51-Growth	—	35,000,000
Kotak FMP Series 80-Growth	37,751,658	37,751,658
Kotak FMP Series 89-Growth	4,270,835	—
Kotak Gilt (Investment Regular) Growth	—	1,390,364
Kotak Qtrly Interval Plan Series-1 Dividend	—	8,506,448
Pramerica Liquid Fund (Face Value ₹1000 each)	6,200	—
Reliance Fixed Horizon Fund-XIX-Series 10	—	10,000,000
SBI Debt Fund Series-370 Days	—	10,000,000
SBI Ultra Short Term Debt Fund-DDR (Face Value ₹1000 each)	10,474	—
UTI Bond Fund-Growth Plan-Regular	5,544,223	—
UTI Fixed Income Interval Fund-Series II-QIP VI	—	18,750,000
UTI Treasury Advantage Fund-Inst. Plan-DDR (Face Value ₹1000 each)	80,402	—
<b>Total (B)</b>	<b>2,572,138,274</b>	<b>2,020,786,779</b>
Share Application Money - Related party		
Robust Hotels Private Limited	—	933,581,440
<b>Total (A + B + C)</b>	<b>2,573,811,662</b>	<b>2,954,368,219</b>
Basis of Valuation - Lower of Cost or Market Value on an individual investment basis		
Aggregate amount of quoted investments	1,737,607	—
Aggregate Amount of unquoted investments	2,572,138,274	2,954,368,219
Aggregate amount of adjustments to carrying amount of current investments	64,219	—

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>18. Inventories</b>		
(valued at cost or net realisable value whichever is lower)		
Food, Liquor & Tobacco	<b>20,972,319</b>	11,175,708
Crockery, Cutlery, Silverware, Linen	<b>7,858,501</b>	3,388,861
General Stores and Spares	<b>1,879,988</b>	2,649,871
<b>Total</b>	<b>30,710,808</b>	17,214,440
<b>19. Trade Receivables</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered good	<b>715,527</b>	4,202,509
Doubtful	<b>2,542,723</b>	2,400,694
	<b>3,258,250</b>	6,603,203
Less: Provision for Doubtful Debts	<b>2,542,723</b>	2,400,694
	<b>(A) 715,527</b>	4,202,509
Other receivables		
Unsecured, Considered good	<b>(B) 101,751,784</b>	26,498,609
<b>Total (A+B)</b>	<b>102,467,311</b>	30,701,118
<b>20. Cash &amp; Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Balance with banks (refer note 20.1)	<b>30,084,481</b>	10,901,076
Cash on hand {Including Stamps in Hand ₹189,673 (Previous Year ₹200,000)}	<b>2,875,686</b>	1,223,308
Cheques on Hand	<b>4,154,387</b>	—
<b>Other Bank Balances</b>		
Fixed Deposits- under lien for cash credit limit / guarantee to Electricity Department	<b>20,000,000</b>	20,000,000
Fixed Deposits -Maturing Within 12 months of reporting date	—	622,880,743
Fixed Deposit with Bank* (DSRA) -maturing after 12 months of reporting date	<b>5,221,448</b>	—
Margin Money Deposits -maturing after 12 months of reporting date	<b>14,379,334</b>	—
Unpaid Dividend Accounts	<b>1,703,953</b>	1,126,692
<b>Total</b>	<b>78,419,289</b>	656,131,819
<b>20.1</b> The Company maintains a cash credit (secured against fixed deposit receipt) and collection account with IDBI Bank Ltd. As at the reporting date, the Company has in aggregate an overall favourable balance.		
<b>21. Short Term Loans &amp; Advances</b>		
(Unsecured Considered Good)		
Capital Advance	<b>1,020,000</b>	—
Advance to Related Parties (Refer Note 42)		
Chartered Hotels Private Limited	<b>210,947</b>	—
Forex Finance Pvt. Ltd.	<b>532,000,000</b>	—
Other loans and advances -		
Inter Corporate Deposits (refer note 21.1)	<b>79,038,905</b>	75,000,000
Advance to suppliers and other parties (Refer Note 21.2)	<b>8,764,339</b>	2,960,436
Prepaid Expenses	<b>4,499,746</b>	6,636,733
Stamp Duty Recoverable from Odisha Govt.	<b>14,000,000</b>	14,000,000
Advance to Employees	<b>29,535</b>	—
Advance Tax {net of provision for taxation of ₹49,63,908/- (Previous Year : ₹49,63,908)}	<b>2,153</b>	2,153
Advance Recoverable in cash or kind	—	200,000
Others	<b>18,766,932</b>	251,608
<b>Total</b>	<b>658,332,557</b>	99,050,930
<b>21.1</b> Includes interest accrued and due thereon ₹ 4,038,905 (Previous Year Nil)		
<b>21.2</b> includes ₹ 3,00,000 being amount due from a firm in which a director is a partner		

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	<b>As at 31st March 2013</b>	Amount in ₹ As at 31st March 2012
<b>22. Other Current Assets</b>		
<b>Preoperative Expenditure (Pending Allocation)</b>		
Consumption of Beverages, Smokes & Others		
Food, Provisions, Other Beverages & Smokes	<b>78,308,594</b>	—
Cost of Telephone	<b>1,732,371</b>	—
Employee Benefit Expenses		
Salary & Wages	<b>393,844,348</b>	—
Contribution to Provident & Other Funds	<b>6,488,629</b>	—
Staff Welfare	<b>31,974,599</b>	—
Recruitment & Training	<b>2,754,385</b>	—
Contract Labour & Service	<b>26,431,783</b>	—
Linen, Room, Catering & Other Supplies	<b>11,245,755</b>	—
Operating Equipment Consumption	<b>6,122,757</b>	—
Watch & Ward Expenses	<b>15,345,154</b>	—
Fuel, Power & Light	<b>151,519,764</b>	—
Rent	<b>17,270,727</b>	—
Rates & Taxes	<b>37,489,034</b>	—
Business Promotion & Advertisement	<b>26,333,690</b>	—
Postage, Telegram & Telephone	<b>4,983,515</b>	—
Printing & Stationery	<b>6,855,015</b>	—
Insurance Expenses	<b>10,411,023</b>	—
Motor Car Expenses	<b>3,687,307</b>	—
Advertisement	<b>153,721</b>	—
Repairs & Maintenance		
Building	<b>14,922,746</b>	—
Plant & Equipment	<b>14,080,029</b>	—
Others	<b>11,454,186</b>	—
Brokerage & Commission	<b>27,361,829</b>	—
Travelling & Conveyance	<b>33,957,860</b>	—
Freight Charges	<b>8,893,402</b>	—
Filing Fees	<b>4,660,544</b>	—
Legal & Professional Fees	<b>45,424,321</b>	—
Consultancy Fees for Technical Services	<b>182,487,815</b>	—
Loss on Sale of Assets	<b>16,534</b>	—
Miscellaneous Expenses	<b>37,087,668</b>	—
Audit Fees	<b>460,900</b>	—
Provision for Doubtful Debts	<b>519,777</b>	—
Depreciation	<b>7,095,596</b>	—
Finance Cost		
Debenture Interest	<b>758,207,392</b>	—
Interest on Rupee Term Loan	<b>894,553,873</b>	—
Interest on Cash Credit Facility	<b>541,281</b>	—
Interest-Others	<b>51,955,329</b>	—
Other Borrowing Cost	<b>2,229,117</b>	—
	<b>2,928,862,372</b>	—

(carried over)



*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	As at 31st March 2013	Amount in ₹ As at 31st March 2012
<b>22. Other Current Assets</b> (Contd.)		
<i>Brought forward</i>	<b>2,928,862,372</b>	—
<b>Less : Pre-Operative Income</b>		
Sale of Products		
Foods, Smokes and Other Beverages	<b>254,495,924</b>	—
Wines & Liquor	<b>4,955,829</b>	—
	<b>259,451,753</b>	—
Less: Excise Duty	<b>239,719</b>	—
	<b>259,212,034</b>	—
Sale of Services		
Room Revenue	<b>158,826,450</b>	—
Banquets & Others	<b>27,812,828</b>	—
Communication	<b>4,567,738</b>	—
On others	<b>14,066,046</b>	—
Interest (Gross)		
On Term Deposit from Bank	<b>4,587,971</b>	—
On Income Tax Refund	<b>130</b>	—
From Others	<b>52,400</b>	—
Income from sale of tender forms	<b>203,000</b>	—
Foreign Exchange Fluctuation Gain	<b>347,813</b>	—
Profit on sale of Investments	<b>2,489</b>	—
Profit on sale of Assets	<b>190,624</b>	—
Dividend on Long Term Investments	<b>11,669,558</b>	—
Sale of Scraps	<b>220,000</b>	—
Miscellaneous	<b>964,000</b>	—
	<b>482,723,081</b>	—
<b>Add:</b>		
Provision for Income Tax	<b>1,198,908</b>	—
Provision for Fringe Benefit Tax	<b>398,613</b>	—
	<b>2,447,736,812</b>	—
<b>Less: Capitalized/Written off/Adjusted</b>	<b>2,447,736,812</b>	—
Prepaid Expenses	<b>14,423,652</b>	—
Interest accrued but not due on Fixed Deposits	<b>157,124</b>	33,760,837
Interest accrued on Term Deposit	<b>153,158</b>	—
Interest accrued on Others	<b>615,882</b>	—
Service Tax	<b>17,679,868</b>	—
Vat Receivable	<b>389,563</b>	—
Others	<b>2,976,877</b>	—
<b>Total</b>	<b>36,396,124</b>	33,760,837

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	Year Ended 31st March 2013	Amount in ₹ Year Ended 31st March 2012
<b>23. Revenue from Operations</b>		
Sale of Products		
Wines and Liquor	73,227,010	47,593,736
Food, Other Beverages and Smokes	591,114,584	301,697,949
	<b>664,341,594</b>	349,291,685
Less: Excise Duty	380,289	293,955
	<b>663,961,305</b>	348,997,730
Sale of Services		
Rooms	721,819,449	397,502,307
Banquet Income (only rental portion)	23,030,495	15,009,850
Communication	18,591,395	9,285,157
	<b>763,441,339</b>	421,797,314
Other Operating Revenue	83,714,309	83,342,822
<b>Total</b>	<b>1,511,116,953</b>	854,137,865
<b>24. Other Income</b>		
Interest Income from Current Investments	—	7,238,537
Interest Income from Others *	22,322,601	58,049,001
Dividend on Current Investment	94,772,592	94,793,496
Net Gain on Sale of Current Investments	105,865,540	5,526,367
Profit on Sale of Fixed Assets	818,618	—
Excess Provision Written Back	15,711,776	184,237
Miscellaneous Income	2,148,633	1,270
<b>Total</b>	<b>241,639,760</b>	165,792,908
* includes TDS of ₹21,17,848/- (previous year - ₹57,75,530/-)		
<b>25. Consumption of Provisions, Beverages, Smokes &amp; Others</b>		
Wine & Liquor		
Opening Stock	14,029,546	11,460,693
Add : Purchases	32,471,115	12,295,397
	<b>46,500,661</b>	23,756,090
Less : Closing Stock	17,877,948	8,202,798
<b>(A)</b>	<b>28,622,713</b>	15,553,292
Food, Provisions, Other Beverages and Smokes		
Opening Stock	5,567,636	4,325,947
Add : Purchases	147,898,772	70,238,360
	<b>153,466,408</b>	74,564,307
Less : Closing Stock	3,094,370	2,972,911
<b>(B)</b>	<b>150,372,038</b>	71,591,396
Cost of Communication		
Cost of Calls	2,081,558	207,756
Lease Line Rentals	5,066,326	2,820,042
<b>(C)</b>	<b>7,147,884</b>	3,027,798
Cost of Guest Transportation		
Guest Transportation including fuel	14,447,254	13,214,485
Vehicle upkeep	361,622	1,000,957
<b>(D)</b>	<b>14,808,876</b>	14,215,442
<b>Total (A+B+C+D)</b>	<b>200,951,511</b>	104,387,928

*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	Year Ended 31st March 2013	Amount in ₹ Year Ended 31st March 2012
<b>26. Employee Benefit Expenses</b>		
Salaries, Wages & Bonus	<b>256,723,666</b>	151,516,422
Contribution to Provident & other funds	<b>17,107,965</b>	9,858,301
Staff Welfare Expenses*	<b>37,512,686</b>	15,321,203
Recruitment & Training	<b>7,290,185</b>	2,930,960
<b>Total</b>	<b>318,634,502</b>	179,626,886
<b>*Staff welfare expenses includes</b>		
Cost of provisions consumed in Staff Cafeteria	<b>7,771,410</b>	7,742,608
Less: Realisation on sale of food coupons to staff	—	50,160
	<b>7,771,410</b>	7,692,448
<b>27. Finance Cost</b>		
Interest		
Interest on Term Loan	<b>299,754,694</b>	—
Interest on Cash Credit	<b>4,143,459</b>	—
Interest on Service Tax	<b>756,734</b>	—
Interest on TDS	<b>17,712</b>	—
Interest on Entry Tax	<b>4,948</b>	—
Others	<b>240,801</b>	—
Other Borrowing Cost	<b>1,414,189</b>	—
<b>Total</b>	<b>306,332,537</b>	—
<b>28. Other Expenses</b>		
Contract Labour and Service	<b>63,996,941</b>	25,208,762
Room, Catering & other supplies	<b>65,186,466</b>	29,194,812
Linen & Operating equipments Consumption	<b>18,241,464</b>	4,366,410
Fuel, Power & Light	<b>194,013,266</b>	82,481,954
Repairs, Maintenance & Refurbishing**	<b>57,384,196</b>	39,010,637
Site Maintenance charges	<b>202,020</b>	—
Satellite & Television Charges	<b>5,040,383</b>	4,760,529
Lease Rent	<b>2,741,776</b>	308,268
Rates & Taxes	<b>28,015,140</b>	5,913,412
Insurance	<b>6,219,123</b>	2,212,455
Directors' Sitting Fees	<b>515,000</b>	238,000
Legal & Professional Expenses	<b>12,179,270</b>	13,413,027
Payment to Auditors (refer note 39)	<b>1,040,398</b>	744,464
Printing & Stationery	<b>4,714,134</b>	2,672,399
Travelling & Conveyance***	<b>16,308,119</b>	10,108,168
Communication Expenses	<b>1,636,215</b>	1,927,669
Prior Period items	—	77,067
Technical Services	<b>38,460,231</b>	33,965,009
Advertisement & Publicity	<b>42,466,878</b>	15,226,321
Commission & Brokerage	<b>76,703,949</b>	27,682,126
Charity & Donation	<b>10,031,500</b>	4,563,700
Adjustments to Carrying Amount of Current Investments	<b>64,219</b>	—
Bank charges and Commission	<b>403,082</b>	278,657
Provision for Bad & Doubtful Debts	<b>142,030</b>	—
Loss on sale of Fixed Assets	<b>820,974</b>	2,125,017
Filing Fees	<b>2,120,872</b>	2,706
Motor Car expenses	<b>397,231</b>	—
Freight Charges	<b>45,518</b>	—
Preliminary expenses written off	<b>17,680</b>	—
Bad Debt written off	<b>412,617</b>	—
Pre Operative expenses written off	<b>5,048,898</b>	—
Miscellaneous	<b>5,915,247</b>	1,716,391
<b>Total</b>	<b>660,484,837</b>	308,197,960
** Repairs, Maintenance & Refurbishing includes		
Repairs & Maintenance - Building	<b>9,647,671</b>	4,788,056
Repairs & Maintenance - Plant & Machinery	<b>29,674,278</b>	18,588,639
Repairs & Maintenance - Others	<b>18,062,247</b>	15,633,942
*** Travelling & Conveyance includes		
Travel of Directors	<b>764,179</b>	949,532

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

	31st March 2013	31st March 2012
Amount in ₹		
<b>29. Earnings per share (Basic &amp; Diluted)</b>		
<b>A. Basic</b>		
(i) Profit / (Loss) for the period	<b>106,961,152</b>	279,608,210
(ii) Profit Available for Equity Shareholders	<b>106,961,152</b>	279,608,210
(iii) Weighted average number of Equity Shares of ₹10 each	<b>11,440,585</b>	11,440,585
(iv) Earnings / (Loss) per share	<b>9.35</b>	24.44
<b>B. Diluted</b>		
(i) Profit / (Loss) for the period	<b>106,961,152</b>	279,608,210
(ii) Profit Available for Equity Shareholders	<b>106,961,152</b>	279,608,210
(iii) Weighted average number of Equity Shares of ₹10 each for diluted EPS	<b>11,440,585</b>	11,440,585
(iv) Earnings / (Loss) per share	<b>9.35</b>	24.44

**30. 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 2013	31st March 2012
Employer's Contribution to provident Fund	<b>6,453,480</b>	5,858,859
Employer's Contribution to Pension Scheme	<b>1,938,128</b>	1,911,351

b) Defined benefit plans

i. Contribution to Gratuity fund

ii. Compensated absences Earned leave

In accordance with Accounting Standard 15 (revised 2005), 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 8.50 % p.a. compound, has been used.

**Salary Escalation Rate**

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long- term view as to 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)		Compensated absences Earned leave (Unfunded)	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Present value of obligations as at the beginning of the year	<b>8,773,362</b>	8,121,242	<b>7,707,869</b>	1,216,030
Current service cost	<b>2,778,040</b>	2,481,028	<b>5,669,074</b>	1,710,280
Interest cost	<b>745,736</b>	690,306	<b>318,082</b>	103,363
Benefit Paid	<b>(1,731,893)</b>	(2,321,915)	<b>(745,178)</b>	(737,861)
Actuarial (gain)/ loss on obligation	<b>110,420</b>	(197,299)	<b>(867,368)</b>	1,450,331
<b>Present value of obligations as at the year end</b>	<b>10,675,665</b>	8,773,362	<b>12,082,479</b>	3,742,143

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

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

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (Unfunded)	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Current Service Cost	2,778,040	2,481,028	5,669,074	1,710,280
Interest Cost	745,736	690,306	318,082	103,363
Actuarial (gain)/loss recognized during the year	110,420	(197,299)	(867,368)	1,450,331
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>3,634,196</b>	<b>2,974,035</b>	<b>5,119,788</b>	<b>3,263,974</b>

**iii. Principal Actuarial assumptions:**

Particulars	Refer Note below	Year ended 31.03.2013	Year ended 31.03.2012
Discount rate (p.a.)	1	8.50%	9.00%
Salary escalation rate (p.a.)	2	8.00%	8.00%

**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 LIC (1994-96) mortality table.

**31. C.I.F. Value of Imports:**

	31st March 2013	31st March 2012
Stores & Spares	8,552,366	1,545,696
Capital Goods	7,140,417	696,342
Beverages through canalizing agencies	10,170,206	5,743,500
Others	—	—
<b>Total</b>	<b>25,862,989</b>	<b>7,985,538</b>

**32. Expenditure in Foreign Currency (on payment basis)**

	31st March 2013	31st March 2012
Technical Services	41,331,854	33,494,110
Commission & Brokerage	56,238,671	11,203,552
Training & Recruitment	10,731,105	1,159,002
Travelling Expenses	5,530,726	—
Contract Labour and Services	289,486	—
Business Promotion and Advertisement	18,758,025	—
Repair and Maintenance	1,413,199	—
Staff Welfare	3,594,184	—
Others	11,901,759	13,333,324
<b>Total</b>	<b>149,789,009</b>	<b>59,189,988</b>

**33. Earnings in Foreign Currency (on receipt basis)**

763,437,418 334,922,037

**34. The Company has paid dividend in respect of shares held by Non-Residents.**

The total amount remitted in this respect is given herein below:-

Number of Non Resident Shareholders	659	659
Number of Equity Shares held by Non Resident Shareholders	3,938,872	3,938,872
Amount of Dividend Paid	17,724,924	17,724,924
Year to which Dividend Relates	2011-12	2010-11

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

**35. 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. 4,266,150/-.

The future Payments for Operating lease are as follows:

	<b>31st March 2013</b>	31st March 2012
Not Later than 1 year	<b>1,431,150</b>	—
Later than one year and not later than five years	<b>1,085,000</b>	—
Later than five years	—	—

**36.** As the Group is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable. Further the Group operates only in India, hence additional information under geographical segment is also not applicable.

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

i. 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.

ii. The disclosures relating to Micro and Small Enterprises are as under :-

	<b>31st March 2013</b>	31st March 2012
The principal amount remaining unpaid to supplier as at the end of the accounting year	<b>341,453</b>	NIL
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year	<b>NIL</b>	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.	<b>NIL</b>	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	<b>NIL</b>	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	<b>NIL</b>	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.	<b>NIL</b>	NIL

**38. Contingent Liabilities :**

Bank Guarantee	<b>126,593,275</b>	—
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	<b>6,000,000</b>	5,000,000
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2006-07	—	112,998
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2007-08	<b>211,767</b>	211,767
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2008-09	<b>528,286</b>	528,286
VAT under West Bengal Value Added Tax Act, 2003 pertaining to F.Y. 2006-07	<b>2,531,538</b>	2,531,538
VAT under West Bengal Value Added Tax Act, 2003 pertaining to F.Y. 2008-09	<b>2,197,722</b>	2,197,722
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	<b>4,374,000</b>	4,374,000
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2002-03 to F.Y. 2006-07	<b>10,217,937</b>	10,217,937
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	<b>26,753,749</b>	—
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2004-05	<b>2,180,235</b>	2,180,235
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2007-08	<b>243,659</b>	—
States Consumer Disputes Redressal Commission	<b>9,800,000</b>	9,800,000

**Commitments**

Export Obligation in respect of EPCG Licenses	<b>1,037,047,479</b>	24,301,279
---	----------------------	------------

**39. Payment to Auditors**

– Statutory Audit Fees	<b>675,326</b>	549,635
– Tax Audit Fees	<b>190,800</b>	166,545
– Certification Charges	<b>52,261</b>	5,538
– Reimbursement of Expenses	<b>108,375</b>	22,746

## **CONSOLIDATED FINANCIAL STATEMENTS**

### **Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

- 40.** As on date, the Company holds 91,652 Equity shares of ₹10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 58.99% 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 Regency Convention Centre and Hotels Limited amounting to ₹10,869,474 up to the Balance Sheet date which has been disclosed as Short Term Loans and Advances.

Goodwill represents the difference between the net assets of RCC as at the date of its becoming subsidiary of the Company and Company's investment therein as at that date.

The principal assets of Regency Convention Centre and Hotels Limited comprise of an interest in a parcel of land at Mumbai, such interest being the subject matter of dispute pending in the Bombay High Court. However Regency Convention Centre and Hotels Limited, as per opinion obtained, has a reasonable chance of winning the ongoing legal dispute. Such assets form part of the Company's undertaking at book values. Meanwhile the authorities have offered alternate land and negotiations on commercial terms are in progress. Consequently in view of the above, no impairment is considered necessary.

As per the terms of agreement with the Regency Convention Centre and Hotels Limited and its shareholders, the Company has to make additional payment for acquiring the balance shares of Regency Convention Centre and Hotels Limited, the amount of which is unascertainable and dependent on the outcome of the dispute pending in the Bombay High Court.

- 41.** During the year, GJS Hotels Limited, a wholly owned Subsidiary of the Company has exercised its option to convert the Cumulative Redeemable Optional Convertible Preference Shares in Robust Hotels Private Limited and consequently 63,932,769 equity shares of ₹10/- each were issued to GJS Hotels Limited at a conversion price of ₹32/- per share. Subsequent to the allotment, Robust Hotels Private Limited, the owner of Hyatt Regency Chennai has become the subsidiary of GJS Hotels Limited, a wholly owned subsidiary of the Company. As a result, Robust Hotels Private Limited has become the Subsidiary of the Company w.e.f. 26th July 2012.
- 42.** In accordance with the Accounting Standard on " Related Party Disclosures" (AS-18), 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

Regency Convention Centre and Hotels Limited

Robust Hotels Private Limited (was an entity over which directors or their relatives exercised significant influence / control till 26th July 2012)

(b) Key Management Personnel :

(i) Mr. Umesh Saraf

(iii) Mr. A Srinivasan

(ii) Mr. Arun Kumar Saraf

(iv) Mr. Amit Saraf

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

(i) Nepal Travel Agency Pvt. Ltd.

(xi) Sara Hospitality Limited, Hong Kong

(ii) Unison Hotels Private Limited

(xii) Juniper Investments Limited

(iii) Vedic Hotels Limited

(xiii) Chartered Hotels Private Limited

(iv) Unison Power Limited

(xiv) Blue Energy Private Limited

(v) Unison Hotels South Private Limited

(xiv) Footsteps of Buddha Hotels Private Limited

(vi) Juniper Hotels Private Limited

(xvi) Sara International limited, Hong Kong

(vii) Yak & Yeti Hotels Limited, Nepal

(xvii) Samra Importex Private Limited

(viii) Taragaon Regency Hotels Limited, Nepal

(xviii) Forex Finance Private Limited

(ix) Saraf Investments Limited, Mauritius

(xix) Saraf Hotels Limited, Mauritius

(x) Saraf Industries Limited, Mauritius

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

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

Transactions during the year	Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
<b>Dividend Paid</b>						
Forex Finance Private Limited	—	—	<b>14,071,824</b>	14,071,824	<b>14,071,824</b>	14,071,824
Saraf Industries Limited	—	—	<b>16,337,835</b>	16,337,835	<b>16,337,835</b>	16,337,835
<b>Scrap Sales</b>						
Chartered Hotels Private Limited	—	—	<b>121,165</b>	—	<b>121,165</b>	—
<b>Services Availed during the Year</b>						
Nepal Travel Agency Pvt. Ltd.	—	—	<b>117,960</b>	217,798	<b>117,960</b>	217,798
<b>Expenses Incurred (Reimbursement)</b>						
Unison Hotels Private Limited	—	—	<b>146,333</b>	—	<b>146,333</b>	—
Chartered Hotels Private Limited	—	—	<b>1,557,614</b>	—	<b>1,557,614</b>	—
Juniper Hotels Private Limited	—	—	<b>17,031</b>	—	<b>17,031</b>	—
Triumph Realty Private Limited	—	—	<b>198,748</b>	—	<b>198,748</b>	—
<b>Loans and Advance Taken</b>						
Juniper Hotels Private Limited	—	—	<b>1,500,000</b>	—	<b>1,500,000</b>	—
<b>Managerial Remuneration</b>						
Umesh Saraf	<b>14,203,455</b>	18,480,059	—	—	<b>14,203,455</b>	18,480,059
Arun Kr. Saraf	<b>15,653,455</b>	18,480,059	—	—	<b>15,653,455</b>	18,480,059
A srinivasan	<b>4,361,004</b>	—	—	—	<b>4,361,004</b>	—

Closing Balance as on 31st March, 2013	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
<b>Account Payables</b>						
Umesh Saraf	<b>1,819,455</b>	7,128,059	—	—	<b>1,819,455</b>	7,128,059
Arun Kr. Saraf	<b>3,269,455</b>	7,128,059	—	—	<b>3,269,455</b>	7,128,059
<b>Loans &amp; Advances given to</b>						
Forex Finance Private Limited	—	—	<b>532,000,000</b>	—	<b>532,000,000</b>	—
Chartered Hotels Private Limited	—	—	<b>210,947</b>	—	<b>210,947</b>	—
<b>Corporate Gurantee given by in favour of Robust Hotels Pvt. Ltd.</b>						
Forex Finance Private Limited	—	—	<b>3,450,000,000</b>	—	<b>3,450,000,000</b>	—
<b>Other Payables</b>						
Chartered Hotels Private Limited	—	—	<b>784,752</b>	—	<b>784,752</b>	—
Unison Hotels Private Limited	—	—	<b>428,502</b>	—	<b>428,502</b>	—

43. Pursuant to the Scheme of Arrangement & Demerger, the Company had obtained approval of the Government of West Bengal for the vesting of the leasehold property upon which Hotel Hyatt Regency Kolkata is situated. Liabilities for registration of the same will be determined as and when the registration is done.

44. In the opinion of the Board all the assets of the Company have a value on realization in ordinary course of business atleast 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.

45. The Board of Directors of the Company at their meeting held on 26th November 2012 and 23rd May 2013 and in consideration of SEBI Circular Nos. CIR/CFD/DIL/5/2013 and CIR/CFD/DIL/8/2013 dated 4th February 2013 and 21st May 2013 respectively, approved the amalgamation of Forex Finance Private Limited, Promoter Body Corporate with the Company. Post amalgamation, Robust Hotels Private Limited, owner of Hyatt Regency Chennai, will be a wholly owned subsidiary of the Company; partially by having direct holding and balance through GJS Hotels Limited (wholly owned subsidiary of the Company). The Company is in the process of obtaining regulatory approvals for the amalgamation.



*Asian Hotels (East) Limited*

**CONSOLIDATED FINANCIAL STATEMENTS**

**Consolidated Notes to Financial Statements for the Year Ended 31st March 2013**

Amount in ₹

- 46.** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ NIL) ₹ 1,010,250/- (Previous Year ₹ 2,079,031/-).
- 47.** The Consolidated accounts for the year 2012-13 includes the financials of Robust Hotels Private Limited, the owner of Hyatt Regency Chennai, since it has become subsidiary of GJS Hotels Limited, a wholly owned subsidiary of the Company. As a result, the consolidated accounts for the year 2012-13 are not comparable with the year 2011-12.
- 48.** Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.
- 49.** There are no other additional material information required to be disclosed pursuant to the provisions of the Companies Act, 1956, Schedule VI to the Companies Act, 1956, Companies (Accounting Standards) Rules, 2006 and other material applicable enactments, circulars, orders, notifications etc.

As per our report of even date

For and on behalf of the Board of Directors

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.: 000756N

**K K Tulshan**  
Partner  
Membership No. 085033

Place : Kolkata  
Date : 23rd May 2013

<b>Arun K Saraf</b>	Joint Managing Director
<b>Umesh Saraf</b>	Joint Managing Director
<b>Rama Shankar Jhavar</b>	Director
<b>Padam K Khaitan</b>	Director
<b>Ramesh Chokhani</b>	Director

**Bimal K Jhunjhunwala**  
Vice President - Corporate Finance

**Saumen Chattopadhyay**  
Chief Legal Officer & Company Secretary



*Asian Hotels (East) Limited*

Dear Member(s),

**Subject : Registration of e-mail id for servicing of documents by the Company under the Companies Act, 1956- A Green Initiative of Ministry of Corporate Affairs.**

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance vide Circular Nos. 17/2011 & 18/2011 dated 21st & 29th April 2011 respectively by allowing companies to send various notices/documents including annual reports etc., to members through electronic mode on their registered e-mail addresses.

Keeping in view the spirit of MCA, your Company propose to send henceforth notices/documents including annual reports etc. to the members in electronic form. This will be in compliance to the provisions of Section 53 of the Companies Act, 1956. Please note that as valued member of the Company, you are always entitled to request and receive all such communication in physical form free of cost under Section 219(1) of the Companies Act, 1956. Further, the documents served through e-mail will be available on the Company's website [www.ahleast.com](http://www.ahleast.com).

Upon verifying our / Depository Participant (DP) records, it is noted that you have not registered your e-mail id. Kindly register your e-mail id's with NSDL/CDSL (through your DP). You may also register the same with M/s Karvy Computershare Private Limited, (Karvy) our RTA, by e-mailing the below mentioned particulars at [ahel.clocs@karvy.com](mailto:ahel.clocs@karvy.com) or alternatively, despatch duly filled perforated proforma to Karvy Computershare Private Limited, Unit: Asian Hotels (East) Limited, Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad -500081. Members holding shares in physical form are also requested to send duly filled perforated proforma to Karvy for registration of their e-mail id's.

In future, you may also change/update the e-mail id's by following the same procedure.

We trust that you will whole-heartedly support the green initiative and co-opreate with the Company by supplying your e-mail ids's at the earliest.

Thanking you.

Yours faithfully,

For **Asian Hotels (East) Limited**

**(Saumen Chattopadhyay)**

Chief Legal Officer & Company Secretary

Place : Kolkata

Date : 23rd May 2013

----- TEAR HERE -----

Karvy Computershare Private Limited  
17-24, Vittal Rao Nagar,  
Madhapur,  
Hyderabad- 500 081  
Andhra Pradesh India  
Fax : 040 23420814/23420857

**Unit : Asian Hotels (East) Limited**

**Sub : Servicing of Notices, documents including Notices of General Meetings, Annual Reports, Circulars, etc. through e-mail.**

In view of the Green Initiative, taken by the Ministry of Corporate Affairs (MCA) Circular Nos.17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011:

I/We..... son/daughter/wife of  
Sri..... holding ..... equity shares of Asian Hotels (East) Limited, under  
Folio No. .... DP Id .....Client Id..... do hereby register my/our e-mail address  
and confirm and convey that I/We wish to receive all future documents and communication as required to be sent to me/us at my/our following  
e-mail address.

E-mail address.....

Thanking you.

Yours faithfully,

\_\_\_\_\_  
Signature (1st /Sole holder)

\_\_\_\_\_  
Signature (2nd holder)

\_\_\_\_\_  
Signature (3rd holder)

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

Place :  
Date :

BLANK

# Asian Hotels (East) Limited

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

## **ATTENDANCE SLIP**

(To be handed over, duly filled in, at the entrance of the Meeting hall)

Name of the attending Member/Proxy\* (in block letters) .....

Member's name .....

Member's Folio/Client ID No. .... No. of equity shares held .....

I hereby record my presence at the 6th Annual General Meeting of the Company on Thursday, the 8th August 2013 at 11.00 A.M. at Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata - 700 098.

\*Please strike off whichever is not applicable.

\*\*To be signed at the time of handing over the slip.

.....  
Signature of Member/Proxy\*\*

### **IMPORTANT:**

**Members are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.**

----- TEAR HERE -----

# Asian Hotels (East) Limited

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

## **PROXY FORM**

I / We ..... of

..... in the district of

..... being a Member / Members of the above named Company, hereby appoint

..... of ..... in the district of

..... or failing him / her ..... of ..... in

in the district of ..... as my / our Proxy to vote for me / us on my / our behalf at the 6th Annual General Meeting of the said Company to be held on Thursday, the 8th August 2013 at 11.00 A.M. at Regency Ball Room, Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 and at any adjournment thereof.

Signed this ..... day of ..... (month) 2013

Affix  
Revenue  
Stamp of  
15 paise

.....  
Member's Signature

Folio / Client ID No. ....

No. of Shares held .....

**Notes : a) The Proxy need not be a member of the Company.**

**b) The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.**

**BLANK**



## Asian Hotels (East) Limited

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




**FORM A**


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

- |    |  |                             |
|----|--|-----------------------------|
| 1. | Name of the Company                            | Aslan Hotels (East) Limited |
| 2. | Annual financial statements for the year ended | 31 <sup>st</sup> March 2013 |
| 3. | Type of Audit observation                      | Un-qualified                |
| 4. | Frequency of observation                       | Not applicable              |
| 5. | To be signed by:                               |                             |

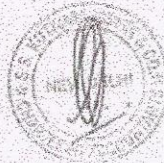
a) CEO/ Managing Director


  
Mr. Umesh saraf  
Joint Managing Director

b) CFO

  
Mr. Bimal K. Jhunjhunwala  
Vice President Corporate  
Finance

c) Auditor of the Company



  
Mr. K.K. Tushar  
Membership No: 085033  
Partner  
S.S. Kothari Mehta & Co.  
Chartered Accountants  
Firm Registration No: 000756N

d) Audit Committee Chairman

  
Mr. R. S. Jhavar  
Director