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## ASIAN HOTELS (NORTH) LIMITED

AHL/CS/1013/2022  
28<sup>th</sup> May, 2022

**Corporate Services Department**  
BSE Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai- 400 001

**Listing Department**  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor  
Bandra (E), Mumbai – 400 051

**Scrip Code/Scrip ID: 500023/ASIANHOTNR**

**Scrip Code / Symbol: 233/ASIANHOTNR**

Dear Sirs,

**SUB: AUDITED ANNUAL FINANCIAL RESULTS FOR THE FINANCIAL YEAR 2021-22 (STAND-ALONE AND CONSOLIDATED)**

This is to inform the Stock Exchanges that the Board of Directors of the Company in its meeting held on 28<sup>th</sup> May, 2022, which commenced at 1.00 p.m. and concluded at 1:10 p.m., approved the stand-alone and consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2022, including Balance Sheet as at 31<sup>st</sup> March, 2022, and Statement of Profit & Loss, Cash Flow Statement and Statement of Changes in Equity for the year ended as on that date along with accompanying notes thereto (each on stand-alone and consolidated basis).

Accordingly, the Statement of Audited Financial Results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as approved by the Board of Directors, is enclosed along with Auditors' Report thereon.

Further, due to loss during the year under review, the Board has not recommended any dividend on the equity shares.

Pursuant to Regulation 33(3)(d) of the Listing Regulations read with Circular no. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016 issued by SEBI, we hereby declare that the Auditors' Report on the Annual Audited Standalone & Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022, are with un-modified opinion.

You may kindly take the above on record.

Thanking you,  
Yours faithfully,  
For **ASIAN HOTELS (NORTH) LIMITED**

**AMRITESH JATIA**  
MANAGING DIRECTOR

Encl: as above

OWNERS OF :



**HYATT**  
**REGENCY**  
DELHI

**ASIAN HOTELS (NORTH) LIMITED**  
(Owners of Hotel Hyatt Regency Delhi)

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi -110066  
CIN: L55101DL1980PLC011037  
Tel. 011-66711225/1226, Fax: 011 26791033, Email: investorrelations@ahlnorth.com,  
Website: www.asianhotelsnorth.com

**STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022**

Sr. No.	Particulars	Standalone										Consolidated		
		Quarter Ended		Year Ended		Quarter Ended		Year Ended		Quarter Ended		Year Ended		
		31-Mar-2022 (Audited)	31-Dec-2021 (Unaudited)	31-Mar-2021 (Audited)	31-Mar-2022 (Audited)	31-Mar-2021 (Audited)	31-Mar-2022 (Audited)	31-Dec-2021 (Unaudited)	31-Mar-2021 (Audited)	31-Mar-2022 (Audited)	31-Mar-2021 (Audited)	31-Mar-2022 (Audited)	31-Mar-2021 (Audited)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)		
1	Income													
	a. Revenue from Operations	3,571.86	4,708.86	3,189.44	13,052.54	7,258.30	3,571.86	4,706.86	4,706.86	3,189.44	13,052.54	7,258.30	7,258.30	
	b. Other Income	104.57	51.57	(65.16)	409.12	186.87	120.04	51.57	51.57	173.36	424.59	467.63	467.63	
	<b>Total Income</b>	<b>3,676.43</b>	<b>4,758.43</b>	<b>3,124.28</b>	<b>13,461.66</b>	<b>7,444.97</b>	<b>3,691.90</b>	<b>4,758.43</b>	<b>4,758.43</b>	<b>3,362.80</b>	<b>13,477.13</b>	<b>7,725.93</b>	<b>7,725.93</b>	
2	Expenses													
	a. Cost of Materials Consumed	532.19	781.66	547.86	2,158.71	1,135.54	532.20	781.66	781.66	547.86	2,158.71	1,135.54	1,135.54	
	b. Employee benefits expenses	1,085.88	1,150.47	1,017.94	4,075.57	3,603.30	1,085.89	1,150.46	1,150.46	1,019.91	4,075.57	3,610.77	3,610.77	
	c. Finance Cost													
	i) Interest Expenses	2,992.35	2,322.15	3,677.78	9,878.21	10,024.45	2,992.35	2,322.15	2,322.15	3,678.08	9,878.21	10,025.76	10,025.76	
	ii) Loss / (gain) on foreign currency transactions and translations	505.46	7.82	(309.34)	1,101.06	(919.02)	505.46	7.82	7.82	(309.34)	1,101.06	(919.02)	(919.02)	
	d. Depreciation and amortization expenses	898.46	813.78	411.01	2,510.95	1,881.97	898.46	813.78	813.78	411.01	2,510.95	1,881.97	1,881.97	
	e. Other expenses	1,865.46	1,712.33	1,407.99	6,218.31	4,516.23	1,870.47	1,711.89	1,711.89	1,848.74	6,236.69	4,773.01	4,773.01	
	<b>Total Expenses</b>	<b>7,879.80</b>	<b>6,788.21</b>	<b>6,753.24</b>	<b>25,942.81</b>	<b>20,943.97</b>	<b>7,884.84</b>	<b>6,787.75</b>	<b>6,787.75</b>	<b>7,196.26</b>	<b>25,961.20</b>	<b>20,308.03</b>	<b>20,308.03</b>	
3	<b>Profit / (Loss) from ordinary activities before exceptional items and Tax (1-2)</b>	<b>(4,203.37)</b>	<b>(2,029.78)</b>	<b>(3,628.96)</b>	<b>(12,481.15)</b>	<b>(12,598.10)</b>	<b>(4,192.94)</b>	<b>(2,029.32)</b>	<b>(2,029.32)</b>	<b>(3,833.46)</b>	<b>(12,484.07)</b>	<b>(12,582.10)</b>	<b>(12,582.10)</b>	
4	Exceptional items			56,914.72		56,914.72	303.57	457.31	457.31	56,914.72	32,898.95	56,914.72	56,914.72	
5	<b>Profit from ordinary activities before tax (3-4)</b>	<b>(4,203.37)</b>	<b>(2,029.78)</b>	<b>(60,543.68)</b>	<b>(12,481.15)</b>	<b>(69,512.82)</b>	<b>(4,496.50)</b>	<b>(2,486.63)</b>	<b>(2,486.63)</b>	<b>(60,748.18)</b>	<b>(45,363.01)</b>	<b>(69,496.82)</b>	<b>(69,496.82)</b>	
6	Tax expense													
	a. Provision for taxation, (net)					0.77	0.30				0.30	0.77	0.77	
	b. Earlier years tax provisions (written back)													
	c. Provision for Deferred Tax Liability / (Asset)			1,017.50						1,017.50				
7	<b>Net Profit/(Loss) for the period (5-6)</b>	<b>(4,203.37)</b>	<b>(2,029.78)</b>	<b>(61,561.25)</b>	<b>(12,481.15)</b>	<b>(69,513.58)</b>	<b>(4,496.80)</b>	<b>(2,486.63)</b>	<b>(2,486.63)</b>	<b>(61,795.75)</b>	<b>(45,383.31)</b>	<b>(69,497.59)</b>	<b>(69,497.59)</b>	
	Net profit / (loss) attributable to:													
	a. Owners						(4,569.12)	(2,409.29)	(2,409.29)	(62,368.86)	(42,537.07)	(69,425.64)	(69,425.64)	
	b. Non-controlling interest						72.32	(77.34)	(77.34)	603.11	(2,846.24)	(71.95)	(71.95)	
8	<b>Other comprehensive income / (expenses)</b>	<b>(459.72)</b>	<b>501.13</b>	<b>42,354.97</b>	<b>41.41</b>	<b>42,354.97</b>	<b>(459.72)</b>	<b>501.13</b>	<b>501.13</b>	<b>42,354.97</b>	<b>41.41</b>	<b>42,354.97</b>	<b>42,354.97</b>	
	Other comprehensive income attributable to:													
	a. Owners						41.41			42,354.97	41.41	42,354.97	42,354.97	
	b. Non-controlling interest													
9	<b>Total other comprehensive income for the period attributable to:</b>	<b>(4,663.09)</b>	<b>(1,528.65)</b>	<b>(19,206.28)</b>	<b>(12,439.74)</b>	<b>(27,158.61)</b>	<b>(4,956.52)</b>	<b>(1,985.50)</b>	<b>(1,985.50)</b>	<b>(19,410.78)</b>	<b>(45,341.90)</b>	<b>(27,142.62)</b>	<b>(27,142.62)</b>	
	a. Owners						(4,527.71)	(2,409.29)	(2,409.29)	(20,013.89)	(42,485.66)	(27,070.67)	(27,070.67)	
	b. Non-controlling interest						72.32	(77.34)	(77.34)	603.11	(2,846.24)	(71.95)	(71.95)	
10	<b>Paid-up equity share capital (Face Value – Rs.10/- each)</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	<b>1,945.33</b>	
11	<b>Earnings Per Share (of Rs. 10/- each) (not annualized):</b>	<b>(21.61)</b>	<b>(10.43)</b>	<b>(316.46)</b>	<b>(64.16)</b>	<b>(357.34)</b>	<b>(23.12)</b>	<b>(12.78)</b>	<b>(12.78)</b>	<b>(317.51)</b>	<b>(233.29)</b>	<b>(357.25)</b>	<b>(357.25)</b>	
	- Basic (in Rs.)	<b>(21.61)</b>	<b>(10.43)</b>	<b>(316.46)</b>	<b>(64.16)</b>	<b>(357.34)</b>	<b>(23.12)</b>	<b>(12.78)</b>	<b>(12.78)</b>	<b>(317.51)</b>	<b>(233.29)</b>	<b>(357.25)</b>	<b>(357.25)</b>	
	- Diluted (in Rs.)	<b>(21.61)</b>	<b>(10.43)</b>	<b>(316.46)</b>	<b>(64.16)</b>	<b>(357.34)</b>	<b>(23.12)</b>	<b>(12.78)</b>	<b>(12.78)</b>	<b>(317.51)</b>	<b>(233.29)</b>	<b>(357.25)</b>	<b>(357.25)</b>	

*A*

#### NOTES:

- 1 The above results for the quarter and year ended March 31, 2022 were reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on May 28, 2022.
- 2 The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The format for above results as prescribed in SEBI's Circular CR/C/D/CM/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
- 3 The Company operates only in one major reportable segment, i.e., Hospitality / Hotel Business. Other business segments i.e., power generation operations & Real Estate operations are governed by different set of risks and returns. However, the respective revenue streams and net profit / (loss) related to these segments through not material for disclosure purposes as separate reportable segment, but, as per condition laid down by Lenders of the Company in One Time Restructuring (OTR) Scheme requires a separate disclosure. Accordingly, in compliance with conditions laid down by the said lenders, the Company has done Segment reporting for Hospitality / Hotel Business, power generation operations & Real Estate operations.
- 4 The figures of the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 5 During the year, the business of the Company was significantly impacted due to COVID-19. Hotel was only partially operating for the first three months on account of Second Covid Wave in the country. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. The Company has also assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, investments, trade receivables, inventories and other current assets appearing in the financial statements of the Company. Based on the current indicators of future economic conditions, the Company expects to recover the carrying value of these assets. The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor the material changes in future economic conditions and would recognize any significant impact of these changes affecting the Company, in the financial statements, as and when these conditions arise.
- 6 As a fallout of the COVID-19 in India in April 2020, the RBI had issued Resolution Framework for One Time Restructuring ("OTR"). In accordance to the same, the financial institution lenders (5 No.s) entered into a Inter-Creditor Agreement on December 10, 2020 invoking the resolution process. As per the Guidelines, once the resolution is invoked, it needs to be implemented within 6 months, i.e., by June 09, 2021. The OTR is for obtaining extension in repayment of principal, reduction in interest rates and conversion of accrued interest into Funded Interest Term Loans ("FITL").
- 7 The Company has been unable to repay installments due on March 31, 2022 amounting to Rs. 48,12.72 Lakhs (in aggregate for all banks taken together) as per OTR Sanction letter issued by the respective banks on account of inability to monetize CRE Assets located in hotel premises. As per the management, the delay has been due to non-receipt of NOC for such sale from the lender banks despite several reminders. The management is in discussion with the lenders to permit such sales by issuing the required NOC and provide a updated repayment schedule in line with the same.
- 8 Yes Bank Limited has issued "Loan Recall- Cum- Guarantee Invocation Notice" dated 17th February, 2022 & demanded that the Company should repay entire Term loan, Interest Funded, Term Loans & Overdraft facilities. In addition, the Bank also invoked the Fixed Deposits provided by Asian Holding Private Limited (Rs. 500 Lakhs) and has exercised pledge on shareholding of Mr. Shiv Kumar Jais, entities controlled by him, Asian Holding Private Limited & Other group Companies (total amounting to 7.29%) in the Company. The Company has challenged this action in Delhi High Court & that the Hon'ble High Court has granted stay on "Loan Recall- Cum- Guarantee Invocation Notice" vide Order Dated 24/02/2022. As per Clause 6.2 of the Inter Creditor Agreement signed between the lenders dated 08th August 2020, the Resolution Plan, that is approved by the Majority Lenders, shall be final and binding on all the Lenders (each Lender agrees and undertakes to be bound by the approved Resolution Plan and to the resolution process and its consequent implementation that has been approved by the Majority Lenders). In accordance with this Agreement and the August 8, 2020 Framework, the Lenders have agreed that, except as provided in Clause 11.4, they shall not initiate any legal action or proceedings (including proceedings under IBC) against the Borrower or any other Person that may jeopardise the successful implementation of the Resolution Plan in accordance with the terms of such Resolution Plan. As the future outcome is uncertain, in line with the Inter Creditor Agreement as stated above, the company has accounted all Credit Facilities of Yes Bank Limited as per OTR sanctioned letter dated 7th June, 2021.
- 9 The Building in New Delhi in which the Hotel business is operated has been valued at Rs. 636.89 Crores basis the valuation report dated April 09, 2021. This being a material adjusting subsequent event, the adjustment to the value of building by way of upward revaluation of Rs. 42,289 Lakhs has been recorded on March 31, 2021 in line with the relevant Accounting Standards. Due to such revaluation there is increase in depreciation & Amortisation Expenses by Rs. 940.83 Lakhs. Such increase in depreciation is transferred from Revaluation Reserve to Retained Earnings as per para 41 of Ind AS 16 Property, Plant & Equipment.
- 10 The COVID-19 outbreak and subsequent nationwide restrictions have adversely impacted the business operations of financial year ended March 31, 2022 (and continuing) in terms of room occupancy as well as food, beverages and other income of Hotel "Hyatt Regency Delhi" owned by the Company. Further, Commercial Real Estate Sales ("CRE") activity of the company has also come to halt during this period. The major reasons for stress, due to outbreak of Covid-19 are:-
  - Travel Restrictions announced on international travel throughout the globe.
  - Substantial decline in room occupancy level
  - Substantial decline in F & B and other support services income
  - Decline in income of restaurants
  - Increase in level of Debt due to regular interest application as fixed expenses
  - CRE activity of company also came to halt during pandemic period due to general economic slowdown in the countryAs a result of above, there were severe cash flows mismatch which has impacted the financial performance and liquidity position of the company. Due to the above reasons and also due to creation of Provision of Discontinuation in the Value of Investment in the subsidiary in FY-2020-21, the net worth of the Company as at March 31, 2022 has continued to be hit adversely. In line with the One Time Restructuring which was approved by the majority of the lenders, the Company was required to infuse funds in the Company through CRE Sales and further equity infusion. However, the Company was unable to achieve the same due to non-receipt of NOC from the lenders and illegal recall of loan by Yes Bank.

#### 1. Status of CRE Sales and Additional Equity Infusion

- a. CRE Sales  
The Company had proposed sale of Rs. 72.35 Crore from the CRE component which could not be realized due to the non-receipt of the NOC from the lenders. Company had requested for the formal NOC from Banks vide letters dated March 14, 2022 (duly acknowledged by the Banks on March 28, 2022), however, no NOC was received except from Bank of Maharashtra, despite repeated reminders. Previously also, the Company received advance towards the Sale of CRE, however, the amounts had to be returned due to the non-receipt of the NOC from the lenders.

**b. Additional Equity Infusion**  
The Company had received definitive interest to subscribe equity from a prospective investor, to invest upto Rs. 190 Crores and the prospective investor had also met the lenders during the Joint Lenders Meeting dated March 14, 2022. However, equity infusion transaction could not be achieved due to actions taken by Yes Bank wherein the said Lender recalled the loan in contravention of the OTR Scheme. This adversely affected the business plans of the prospective investor as the lock in period applicable for the shares brought (Under Preferential Issue Norms) would be increased from 6 months to 3 years as per the Capital and Disclosure Requirements, if the investment is into companies having stressed assets. On May 10, 2022, the Company has received information from the National E-Governance Services Ltd that the loan recalled by Yes Bank has now been regularized.

**II. Continuity as Going Concern**  
The management is confident of resolving the issues with the lenders soon so that the NOC will be given and the Company will be able to infuse the required funds through CRE Sales and equity infusion. The management further opines that the resumption of scheduled international flights by the Indian Government starting March 27, 2022 and seamless travel for the vaccinated passengers from major inbound tourism countries will have a positive impact going forward. The Company already is witnessing rapid rebound in international tourist arrivals and uptake in Events and MICE segment since April 2022 and that the operating profitability is improving significantly and it will be further aided by several cost reduction measures being adopted by the Company. These factors and expected future improvement in business operations will be critical for the Company to continue as a Going Concern.

11 Deferred Tax Asset is not recognised during the financial year on additional business loss / unabsorbed depreciation following the concept of prudence. Deferred Tax Assets created till March 31, 2020 have not been reversed as the Management has drawn plans for improving profitability including increase of profitability through business lines such as Commercial Real Estate Sales and revival of normal hotel operations which have taken a hit on account of COVID-19 situation in India during the past several months and also the Company has planned additional fund infusion by way of equity to reduce the interest and principal burden. Accordingly, recognition of any additional Deferred Tax Asset in future shall be dependent on achieving / improving profitability in line with the relevant Accounting Standards. In case the standard is not met, the amount of Deferred Tax Asset outstanding in the books of account shall be reversed.

12 **Note in relation to Consolidated Results:**  
In respect of Ultimate Subsidiary company, i.e. Leading Hotels Limited, an Order under section 7 of Insolvency & Bankruptcy Code 2016, read with rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 has been passed on June 25, 2021 for initiating Corporate Insolvency Resolution Process (CIRP). Due to such order, power of Board of Director ceased to exist & Resolution professional is appointed for look into the affairs of the company. Due to this Asian Hotels (North) Limited lose control over the ultimate subsidiary i.e. Leading Hotels Limited. Consolidated results for the year and quarter ended March 31, 2022 does not include the figures of Leading Hotels Limited. Accordingly, the Consolidated figures of quarter and year ended March 31, 2022 are not comparable with figures of preceding quarter & year ended March 31, 2021.

13 **Note in relation to Consolidated Results:**  
During the financial year 2021-22 the Direct Subsidiary, i.e., Fineline Hospitality & Consultancy Pte Ltd, Maudius (FHCP) has created provision for diminution in the value of investment in the step-down subsidiaries. Accordingly, while preparing the consolidated financials only so much of the loss on account of provision for diminution in the value of investment which exceeds the provision for diminution already recognized by Asian Hotels (North) Limited in respect of its investment in Ultimate Subsidiary Company, i.e., Leading Hotels Limited, as at March 31, 2022, has been recognized in the above consolidated results.

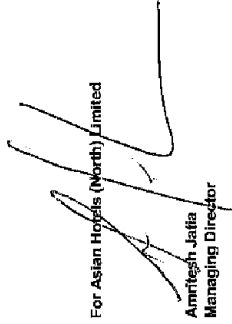
14 The Company has, on February 11th, 2020 received a demand Notice dated 05.02.2020 from the Asstt. Assessor & Collector (H.O), South Delhi Municipal Corporation, New Delhi (SDMC), on account of Property Tax (including interest and penalty) for the years 2016-17 to 2019-20 assessed in terms of assessment order dated 27.1.2020. The matter of Property Tax in the case of Company and many other similarly situated entities is sub-judice before the Hon'ble High Court of Delhi. The Company has been depositing Property Tax as per order dated 23.5.2014 of the Hon'ble High Court. The Company has been advised that the said demand notice is contrary to the prior orders passed by the Hon'ble High Court, and therefore Company is in the process of taking appropriate legal recourse in the said matter.

15 Loss / (Gain) on foreign currency transactions and translations' (if any) under 'Finance costs' represents loss on foreign currency borrowings to the extent that they are regarded as an adjustment to finance cost as per Para 6(e) of Ind - AS : 23 "Borrowing Costs".

16 The Company has not given any corporate guarantee for the loans availed by its subsidiaries including Leading Hotels Limited as at March 31, 2022.

17 Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

For Asian Hotels (North) Limited



Anurag Jaita  
Managing Director

Place: New Delhi  
Date: 28.05.2022

**ASIAN HOTELS (NORTH) LIMITED**  
**(Owners of Hotel Hyatt Regency Delhi)**  
**Registered Office: Bhikalji Cama Place, M. G. Marg, New Delhi -110066**  
**CIN:L55101DL1980PLC011037**  
**Tel. 011-86771225/1226, Fax: 011 26791033, Email: Investorrelations@ahlnorth.com;**  
**Website: www.asianhotelnorth.com**

**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	As on 31-03-2022	As on 31-03-2021	As on 31-03-2022	As on 31-03-2021
	Audited	Audited	Audited	Audited
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	147,875.17	150,322.64	147,875.17	162,598.57
(b) Capital Work in Progress	99.15	148.60	99.15	29,746.02
(c) Intangible Assets	-	-	-	-
(d) Financial Assets				
(i) Investments	-	142.54	-	142.54
(ii) Loans	17.69	29.10	17.69	29.10
(iii) Others	385.98	405.05	385.98	450.02
(e) Deferred Tax Assets (Net)	3,857.37	3,857.37	3,857.37	3,857.37
(f) Other Non-Current Assets	532.30	517.13	532.30	567.94
	<b>152,767.66</b>	<b>155,422.43</b>	<b>152,767.66</b>	<b>197,391.56</b>
<b>CURRENT ASSETS</b>				
(a) Inventories	573.24	581.58	573.24	581.58
(b) Financial assets				
(i) Trade Receivables	1,100.59	1,429.89	1,100.59	1,429.89
(ii) Cash and Cash Equivalents	141.04	97.53	141.04	111.43
(iii) Bank Balance other than (ii) above	512.24	71.37	512.24	71.37
(iv) Others	308.43	286.73	308.43	302.53
(c) Other current assets	191.80	193.96	191.80	440.74
	<b>2,827.34</b>	<b>2,661.06</b>	<b>2,827.34</b>	<b>2,937.53</b>
<b>TOTAL ASSETS</b>	<b>155,595.00</b>	<b>158,083.49</b>	<b>155,595.00</b>	<b>200,329.09</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share capital	1,945.32	1,945.32	1,945.32	1,945.32
(b) Other Equity	22,767.87	35,207.61	21,845.32	40,891.85
(c) Non-controlling interests	-	-	(229.66)	2,603.97
	<b>24,713.19</b>	<b>37,152.93</b>	<b>23,560.98</b>	<b>45,441.14</b>
<b>LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	87,259.73	84,684.58	87,411.34	100,093.14
(ii) Other Financial Liabilities	78.48	1,525.47	78.48	1,525.47
(b) Provisions	308.25	336.57	308.26	337.50
(c) Other Non-Current Liabilities	-	-	-	2,015.59
	<b>87,646.46</b>	<b>86,546.62</b>	<b>87,798.08</b>	<b>103,971.71</b>
<b>CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	19,516.78	11,199.00	20,508.30	26,401.57
(ii) Trade Payables				
(A) total outstanding dues of micro enterprises and small enterprises; and	154.31	169.55	154.31	179.15
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	9,317.58	9,167.25	9,317.58	9,260.31
(iii) Other Financial Liabilities	3,907.64	3,007.13	3,916.70	4,231.00
(b) Other Current Liabilities	10,282.83	10,503.17	10,282.83	10,506.39
(c) Provisions	56.21	337.84	56.22	337.84
	<b>43,235.35</b>	<b>34,383.94</b>	<b>44,235.94</b>	<b>50,916.24</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>155,595.00</b>	<b>158,083.49</b>	<b>155,595.00</b>	<b>200,329.09</b>

**STANDALONE CASH FLOW STATEMENT**

Particulars	Standalone	
	FY 2021-22	FY 2020-21
(Rs. in Lakhs)		
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax for the period	(12,481.15)	(69,512.82)
<b>Adjustments for:</b>		
Depreciation and amortization	2,510.95	1,681.97
Interest and finance charges	10,979.27	9,105.43
Interest Income	(37.31)	(63.01)
(Gain)/Loss on fixed assets sold/ discarded (net)	32.05	2.88
Provision for impairment for investment in Subsidiary	-	58,914.72
Net unrealized (gain)/loss on foreign currency transaction and translation (relating to other heads)	-	303.90
Bad Debts written off	-	49.02
Provision for bad & doubtful debts/advances (written back)	36.90	32.77
Excess Provisions / Liability no longer required written back	(359.66)	(80.63)
<b>Operating Profit before Working Capital Changes</b>	<b>681.05</b>	<b>(1,565.77)</b>
<b>Adjustments for changes in working capital :</b>		
(Increase)/decrease in trade receivables, loans & advances and other assets	135.40	3,137.80
(Increase)/decrease in inventories	8.34	451.27
Increase/(decrease) in trade payables, other liabilities and provisions	486.93	1,579.45
<b>Cash Generated from Operations</b>	<b>1,311.72</b>	<b>3,602.75</b>
Income taxes (Net)	158.32	1,057.72
<b>Net Cashflow from Operating Activities</b>	<b>1,470.04</b>	<b>4,660.47</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(76.89)	(110.01)
Additions in capital work in progress	-	(0.77)
Proceeds from sale of fixed assets	30.80	10.79
Investments in bank deposits (with original maturity over 3 months)	(442.75)	(68.95)
Proceeds from bank deposits (with original maturity over 3 months)	-	-
Interest received	33.64	83.01
Investment in shares	142.54	-
<b>Net Cashflow from Investing Activities</b>	<b>(312.66)</b>	<b>(105.93)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings		
Receipts	-	-
Payments	(608.70)	(472.89)
Proceeds from short term borrowings		
Receipts	1,881.09	191.22
Payments	(1,026.57)	(3,088.83)
Interest and finance charges	(1,359.68)	(1,260.14)
<b>Net Cashflow from Financing Activities</b>	<b>(1,113.87)</b>	<b>(4,650.64)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>43.51</b>	<b>(96.10)</b>
Cash and bank balances at the beginning of the year	97.53	193.63
Cash and bank balances at the end of the year	141.04	97.53

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

DETAIL OF CASH AND CASH EQUIVALENTS	Standalone	
	As at 31-03-2022 Rs. in Lakhs	As at 31-03-2021 Rs. in Lakhs
Balances with banks		
In current accounts	130.21	2.27
In Bank OD	-	84.82
Cash on hand	10.83	10.44
	<b>141.04</b>	<b>97.53</b>



**CONSOLIDATED CASH FLOW STATEMENT**

(Rs. In Lakhs)

Particulars	Consolidated	
	FY 2021-22	FY 2020-21
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) Before Tax for the period	(45,383.01)	(69,496.81)
<b>Adjustments for:</b>		
Depreciation and amortization	2,510.95	1,694.75
Interest and finance charges	10,979.27	9,093.96
Interest income	(37.31)	(65.77)
(Gain)/Loss on fixed assets sold/ discarded (net)	32.05	335.29
Provision for impairment for investment in Subsidiary	32,898.95	56,914.72
Bad Debts written off	-	50.73
Provision for bad & doubtful debts/advances (written back)	36.90	32.77
Excess Provisions / Liability no longer required written back	(375.13)	(160.70)
<b>Operating Profit before Working Capital Changes</b>	<b>662.67</b>	<b>(1,601.07)</b>
<b>Adjustments for changes in working capital :</b>		
(Increase)/decrease in trade receivables, loans & advances and other assets	135.40	3,203.99
(Increase)/decrease in inventories	8.34	451.26
Increase/(decrease) in trade payables, other liabilities and provisions	505.30	976.84
<b>Cash Generated from Operations</b>	<b>1,311.71</b>	<b>3,031.03</b>
Income taxes (Net)	158.32	1,057.49
<b>Net Cashflow from Operating Activities</b>	<b>1,470.03</b>	<b>4,088.52</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(76.89)	(110.60)
Additions in capital work in progress	-	(52.39)
Proceeds from sale of fixed assets	30.80	291.46
Investments in bank deposits (with original maturity over 3 months)	(442.75)	(68.95)
Interest received	33.64	64.52
Sale of Investment in shares	142.54	-
<b>Net Cashflow from Investing Activities</b>	<b>(312.66)</b>	<b>124.04</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net inflow / (outflow) on account of borrowings	245.81	(1,854.45)
Interest and finance charges	(1,359.68)	(2,444.82)
<b>Net Cashflow from Financing Activities</b>	<b>(1,113.87)</b>	<b>(4,299.27)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>43.50</b>	<b>(86.71)</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>111.43</b>	<b>198.14</b>
<b>Less: Adjustment to Opening Cash and Cash Equivalents on account of loss of control in subsidiary</b>	<b>13.89</b>	<b>-</b>
<b>Cash and bank balances at the end of the year</b>	<b>141.04</b>	<b>111.43</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.

Cash and cash equivalents at the end of the year consist of cash on hand, cheques, draft on hand and balance with banks as follows:

DETAIL OF CASH AND CASH EQUIVALENTS	Consolidated	
	As at 31-03-2022 Rs. In Lakhs	As at 31-03-2021 Rs. In Lakhs
Balances with banks		
In current accounts	130.21	5.95
In Bank OD	-	84.82
Cash on hand	10.83	10.45
Cheque on hand	-	10.20
	<b>141.04</b>	<b>111.43</b>

**Independent Auditors' Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of Asian Hotels (North) Limited

We have audited the accompanying statement of quarterly and year to date standalone financial results of Asian Hotels (North) Limited (the "Company") as at March 31, 2022 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- i. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net loss, other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





## **Emphasis of Matter**

### **(i) Implications owing to COVID-19 Pandemic:**

We draw attention to Note 5 to the Financial Results with reference to the COVID 19 impact. During the year, the business of the Company was significantly impacted due to COVID-19. Hotel was only partially operating for the first three months on account of Second Covid Wave in the country.

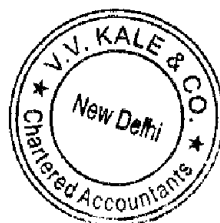
The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements and assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, investments, trade receivables, inventories and other current assets appearing in the financial statements of the Company. Based on the current indicators of future economic conditions, the Company expects to recover the carrying value of these assets. The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates.

### **(ii) One Time Restructuring & Status of Repayments:**

We draw attention to Note 6 to 8 to the Financial Results relating to One Time Restructuring & Status of Repayments. As a fallout of the COVID-19 in India in April 2020, the RBI had issued Resolution Framework for One Time Restructuring. In accordance to the same, the financial institution lenders (5 Nos.) entered into an Inter-Creditor Agreement on December 10, 2020 invoking the resolution process. As per the Guidelines, once the resolution is invoked, it needs to be implemented within 6 months, i.e., by June 09, 2021. As per the terms of the One Time Restructuring, the Company was required to infuse additional funds by way of CRE Sales and also equity investment. However, the Company was unable to do either due to reasons specified in the said Notes.

Accordingly, the Company has been unable to repay Installments due on March 31, 2022 as per OTR Sanction letter issued by the respective banks amounting to Rs. 4812.72 Lakhs (in aggregate for all banks taken together) due to inability to monetize CRE Assets located in hotel premises.

As per Note 7 to the Financial Results, as per the management, the delay has been due to non-receipt of NOC for such sale from the lender banks despite several reminders. The management is in discussion with the lenders to permit such sales by issuing the required NOC and provide an updated repayment schedule in line with the same.



### **(iii) Current Status of Business Operations**

We draw attention to Note 10 to the Financial Results relating to Current Status of Business Operations. The COVID-19 outbreak and subsequent nationwide restrictions have adversely impacted the business operations of financial year ended March 31, 2022 (and continuing) in terms of room occupancy as well as food, beverages and other income of Hotel "Hyatt Regency Delhi" owned by the Company. Further, Commercial Real Estate Sales ("CRE") activity of the company has also come to halt during this period. As a result, there were severe cash flows mismatch which has impacted the financial performance and liquidity position of the company. Due to the above reasons and also due to creation of Provision of Diminution in the Value of Investment in the subsidiary in FY 2020-21, the net worth of the Company as at March 31, 2022 has continued to be hit.

In line with the One Time Restructuring which was approved by the majority of the lenders, the Company was required to infuse funds in the Company through CRE Sales and further equity infusion. However, the Company was unable to achieve the same due to non-receipt of NOC from the lenders and recall of loan by one of the lender's which prevented equity infusion. The reasons regarding lack of CRE Sales and inability for equity infusion are detailed in Note 10 to the Financial Results.

As per the information given to us, the management is confident of resolving the issues with the lenders soon so that the NOC will be received and the Company will be able to infuse the required funds through CRE Sales and equity infusion.

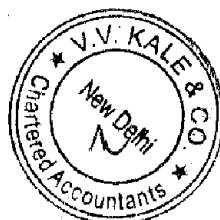
Further, with the resumption of scheduled international flights and seamless travel for the vaccinated passengers from major inbound tourism countries, the Company is witnessing rapid rebound in international tourist arrivals and uptake in Events and MICE segment since April 2022.

Above factors and expected future improvement in business operations will be critical for the Company to continue as a Going Concern.

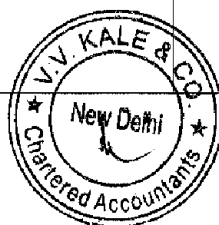
Our opinion is not modified in respect of the above matters (i) to (iii).

### **Key Audit Matters**

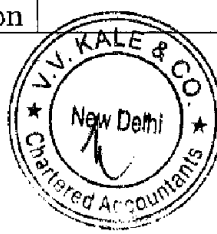
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matter Description	Response to Key Audit Matter
<p><b>A. Assessment of recoverability of Deferred Tax Assets recognized on tax losses (Refer Note 11 to the Financial Results)</b></p> <p>- The Company has recognised deferred tax assets on unabsorbed depreciation and deductions based on actual payments (together hereinafter referred to as "tax losses") carried forward from the previous years as well as current year losses. The assets have been recognised on the basis of the Company's assessment of availability of future taxable profit to offset such tax losses based on business projections for the future years.</p> <p>- The recoverability of the deferred tax assets depends upon factors such as the projected taxable profitability of business and the period considered for such projections, the rate at which those profits will be taxed and the period over which tax losses will be available for recovery.</p> <p>This was considered as a key audit matter as the amount is material to the financial statements and significant judgement in key assumptions was required by the Company's Management in the preparation of forecasts of future taxable profits based on the underlying business plans.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our procedures included, amongst others, the following:</p> <p>(i) Evaluation of the design and testing pertaining to effectiveness of Company's controls relating to taxation and the assessment of carrying amount of deferred tax assets relating to unabsorbed tax losses;</p> <p>(ii) Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment considering that the Company operates in a highly competitive industry which is subject to disruptions through changing macro scenario;</p> <p>(iii) Comparing the Company's performance for the year with the approved budget to assess the reasonableness of the assumptions;</p> <p>(iv) Comparing the Company's projections of future taxable profit to the approved business plans;</p> <p>(v) Testing, whether projections prepared were consistent with our understanding and knowledge of current business and the general economic environment in which the Company operates and whether the tax losses can be utilized within the forecast recoupment period;</p> <p>(vi) Testing the assumptions used by analyzing the impact on taxable profit using different growth rates and profit margins;</p> <p>(vii) Reviewing the adequacy of disclosures made in the financial statements with regard to deferred taxes.</p>



	<p>Based on the above procedures performed, our testing did not identify any material exceptions with respect to the reasonability of the assumptions and estimates used by the management in assessing the recoverability of Deferred Tax Asset recognised in respect of tax Losses in the past. However, the evaluation process is ongoing and in case of non-realization of the planned results, the Deferred Tax Asset already recognized in the past may require reversal in line with the relevant accounting standards.</p>
<p><b>B. Assessment of ability to continue as Going Concern</b></p> <ul style="list-style-type: none"> <li>- The Company has incurred operational losses during FY 2021-22 on account of COVID-19 situation and consequent erosion of capital and related crunch.</li> <li>- As described in Emphasis of Matter para, the creation of provision for diminution in the value of investment in the Subsidiary Company in FY 2020-21, the Net Worth of the Company as at March 31, 2022 has continued to be hit.</li> <li>- The Company had approached the lenders for One Time Restructuring and that majority lenders had invoked the One Time Restructuring plan in line with RBI Resolution Framework.</li> <li>- The Company was unable to repay its loan instalments as per the One Time Restructuring Plan on account of non-receipt of NOC for CRE sales from the lenders and action by taken by a lender to recall the loan due to which proposed equity infusion by the prospective investor did not go through.</li> <li>- The ability of the Company to resolve the ongoing issues with the lenders w.r.t to the restructuring and securing the desired NOC for completing the CRE Sales, achieving planned equity infusion</li> </ul>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>(i) Evaluation of the design and testing pertaining to effectiveness of Company's controls relating to evaluation of Going Concern Assumption;</li> <li>(ii) Assessing the reasonableness of the period of projections used in One Time Restructuring Proposals submitted to the lenders under RBI Resolution Framework for resolution of stressed assets on account of COVID-19 situation;</li> <li>(iii) Comparing the Company's performance for the year with the Financial forecasts submitted to the lenders under the said One Time Restructuring to assess the reasonableness of the assumptions;</li> <li>(iv) Comparing the Company's projections of future taxable profit to the approved business plans;</li> <li>(v) Evaluation of Financial Results of Companies operating in Comparable segments / industries and impact of COVID-19 thereon</li> <li>(vi) Reviewing the adequacy of disclosures made in the financial statements with regard to Status of Business Operations.</li> </ul>



<p>and alongwith continued improvement in business operations will be critical in its continuation as a Going Concern.</p> <p>This was considered as a key audit matter as the ability to continue as a going concern is material to the preparation of financial statements.</p>	<p>Based on the above procedures performed, our testing did not identify any material exceptions with respect to the reasonability of the usage of Going Concern assumption as at March 31, 2021. However, the same will be subject to on-going review and assessment during FY 2022-23 as the ability of the Company to continue as a Going Concern will be greatly dependent on the CRE Sales, Equity Infusion and Improved Business Operations.</p>
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## Other Matters

### (i) MSME Related Dues:

The Company has total MSME dues as at March 31, 2022 amounting to INR 154.31 Lakhs which are outstanding for a period beyond 45 days as stipulated in the Micro, Small and Medium Enterprises Act, 2006. As per Section 16 of the said Act, the Company is required to pay interest on such delayed payments amounting to INR 11.31 Lakhs. As per the Company, the delay in payments is on account of temporary financial difficulties which have increased on account of COVID-19 situation affecting the Hospitality Industry in particular and that it will clear all MSME dues at the earliest.

### (ii) Figures for Quarter ended March 31, 2022:

The Standalone Financial Results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which are subjected to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of the above matters.

## Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

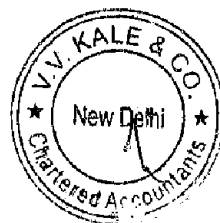
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

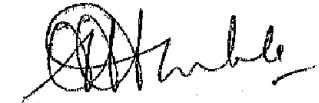


- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**For, V V Kale & Co**  
*Chartered Accountants*  
Firm Regi. Number: 000897N



**Vijay V. Kale**

Partner

Membership No: 080821

UDIN: 22080821AJTXZW6995



Place: New Delhi

Date: 28.05.2022

**Independent Auditors' Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors of Asian Hotels (North) Limited

We have audited the accompanying consolidated annual financial results of Asian Hotels (North) Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the quarter and year ended March 31, 2022, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements /financial results/ financial information of the subsidiaries located outside India, the aforesaid consolidated financial results:

(i) include the annual financial results of the following subsidiaries:

1. Fineline Hospitality and Consultancy Pte. Ltd., Mauritius - Wholly owned subsidiary
2. Lexon Hotel Ventures Ltd., Mauritius - Subsidiary

(ii) are presented in accordance with the requirements of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net Loss, other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion.





## **Emphasis of Matter**

### **(i) Implications owing to COVID-19 Pandemic:**

We draw attention to Note 5 to the Financial Results with reference to the COVID 19 impact. During the year, the business of the Company was significantly impacted due to COVID-19. Hotel was only partially operating for the first three months on account of Second Covid Wave in the country.

The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements and assessed the potential impact of COVID-19 on the carrying value of property, plant & equipment, investments, trade receivables, inventories and other current assets appearing in the financial statements of the Company. Based on the current indicators of future economic conditions, the Company expects to recover the carrying value of these assets. The impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates.

### **(ii) One Time Restructuring & Status of Repayments:**

We draw attention to Note 6 to 8 to the Financial Results relating to One Time Restructuring & Status of Repayments. As a fallout of the COVID-19 in India in April 2020, the RBI had issued Resolution Framework for One Time Restructuring. In accordance to the same, the financial institution lenders (5 Nos.) entered into an Inter-Creditor Agreement on December 10, 2020 invoking the resolution process. As per the Guidelines, once the resolution is invoked, it needs to be implemented within 6 months, i.e., by June 09, 2021. As per the terms of the One Time Restructuring, the Company was required to infuse additional funds by way of CRE Sales and also equity investment. However, the Company was unable to do either due to reasons specified in the said Notes.

Accordingly, the Company has been unable to repay Installments due on March 31, 2022 as per OTR Sanction letter issued by the respective banks amounting to Rs. 4812.72 Lakhs (in aggregate for all banks taken together) due to inability to monetize CRE Assets located in hotel premises.

As per Note 7 to the Financial Results, as per the management, the delay has been due to non-receipt of NOC for such sale from the lender banks despite several reminders. The management is in discussion with the lenders to permit such sales by issuing the required NOC and provide an updated repayment schedule in line with the same.

### **(iii) Current Status of Business Operations**

We draw attention to Note 10 to the Financial Results relating to Current Status of Business Operations. The COVID-19 outbreak and subsequent nationwide restrictions have adversely impacted the business operations of financial year ended March 31, 2022 (and continuing) in terms of room occupancy as well as food, beverages and other income of Hotel "Hyatt Regency Delhi" owned by the Company.



Further, Commercial Real Estate Sales ("CRE") activity of the company has also come to halt during this period. As a result, there were severe cash flows mismatch which has impacted the financial performance and liquidity position of the company. Due to the above reasons and also due to creation of Provision of Diminution in the Value of Investment in the subsidiary in FY 2020-21, the net worth of the Company as at March 31, 2022 has continued to be hit.

In line with the One Time Restructuring which was approved by the majority of the lenders, the Company was required to infuse funds in the Company through CRE Sales and further equity infusion. However, the Company was unable to achieve the same due to non-receipt of NOC from the lenders and recall of loan by one of the lender's which prevented equity infusion. The reasons regarding lack of CRE Sales and inability for equity infusion are detailed in Note 10 to the Financial Results.

As per the information given to us, the management is confident of resolving the issues with the lenders soon so that the NOC will be received and the Company will be able to infuse the required funds through CRE Sales and equity infusion.

Further, with the resumption of scheduled international flights and seamless travel for the vaccinated passengers from major inbound tourism countries, the Company is witnessing rapid rebound in international tourist arrivals and uptake in Events and MICE segment since April 2022.

Above factors and expected future improvement in business operations will be critical for the Company to continue as a Going Concern.

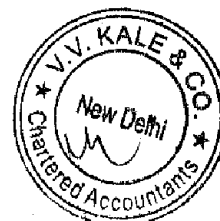
**(iv) Lack of Control and Consequent Effect on Consolidation for Ultimate Subsidiary Company**

We draw attention to Note 6 to the financial results. In respect of Ultimate Subsidiary company, i.e. Leading Hotels Limited, an Order under section 7 of Insolvency & Bankruptcy Code 2016, read with rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 has been passed on June 25, 2021 for initiating Corporate Insolvency Resolution Process (CIRP). Due to such order, power of Board of Director ceased to exist & Resolution professional is appointed for look into the affairs of the company. Due to this Asian Hotels (North) Limited lost control over the ultimate subsidiary i.e. Leading Hotels Limited. Consolidated results for the quarter & year ended March 31, 2022 does not include the figures of Leading Hotels Limited. Accordingly, the Consolidated figures of quarter and year ended March 31, 2022 are not comparable with figures of preceding quarter & year ended March 31, 2021.

Our opinion is not modified in respect of the above matters (i) to (iv).

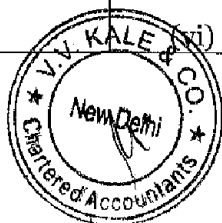
**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

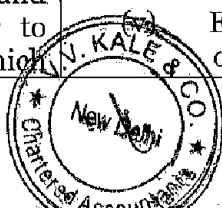


We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these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

Key Audit Matter Description	Response to Key Audit Matter
<p><b>A. Assessment of recoverability of Deferred Tax Assets recognized on tax losses (Refer Note 11 to the Financial Results)</b></p> <p>- The Company has recognised deferred tax assets on unabsorbed depreciation and deductions based on actual payments (together hereinafter referred to as "tax losses") carried forward from the previous years as well as current year losses. The assets have been recognised on the basis of the Company's assessment of availability of future taxable profit to offset such tax losses based on business projections for the future years.</p> <p>- The recoverability of the deferred tax assets depends upon factors such as the projected taxable profitability of business and the period considered for such projections, the rate at which those profits will be taxed and the period over which tax losses will be available for recovery.</p> <p>This was considered as a key audit matter as the amount is material to the financial statements and significant judgement in key assumptions was required by the Company's Management in the preparation of forecasts of future taxable profits based on the underlying business plans.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our procedures included, amongst others, the following:</p> <p>(i) Evaluation of the design and testing pertaining to effectiveness of Company's controls relating to taxation and the assessment of carrying amount of deferred tax assets relating to unabsorbed tax losses;</p> <p>(ii) Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment considering that the Company operates in a highly competitive industry which is subject to disruptions through changing macro scenario;</p> <p>(iii) Comparing the Company's performance for the year with the approved budget to assess the reasonableness of the assumptions;</p> <p>(iv) Comparing the Company's projections of future taxable profit to the approved business plans;</p> <p>(v) Testing, whether projections prepared were consistent with our understanding and knowledge of current business and the general economic environment in which the Company operates and whether the tax losses can be utilized within the forecast recoupment period;</p> <p>(vi) Testing the assumptions used</p>



	<p>by analyzing the impact on taxable profit using different growth rates and profit margins;</p> <p>(vii) Reviewing the adequacy of disclosures made in the financial statements with regard to deferred taxes.</p> <p>Based on the above procedures performed, our testing did not identify any material exceptions with respect to the reasonability of the assumptions and estimates used by the management in assessing the recoverability of Deferred Tax Asset recognised in respect of tax Losses in the past. However, the evaluation process is ongoing and in case of non-realization of the planned results, the Deferred Tax Asset already recognized in the past may require reversal in line with the relevant accounting standards.</p>
<p><b>B. Assessment of ability to continue as Going Concern</b></p> <ul style="list-style-type: none"> <li>- The Company has incurred operational losses during FY 2021-22 on account of COVID-19 situation and consequent erosion of capital and related crunch.</li> <li>- As described in Emphasis of Matter para, the creation of provision for diminution in the value of investment in the Subsidiary Company in FY 2020-21, the Net Worth of the Company as at March 31, 2022 has continued to be hit.</li> <li>- The Company had approached the lenders for One Time Restructuring and that majority lenders had invoked the One Time Restructuring plan in line with RBI Resolution Framework.</li> <li>- The Company was unable to repay its loan instalments as per the One Time Restructuring Plan on account of non-receipt of NOC for CRE sales from the lenders and action by taken by a lender to recall the loan due to which</li> </ul>	<p>Our procedures included, amongst others, the following:</p> <ul style="list-style-type: none"> <li>(i) Evaluation of the design and testing pertaining to effectiveness of Company's controls relating to evaluation of Going Concern Assumption;</li> <li>(ii) Assessing the reasonableness of the period of projections used in One Time Restructuring Proposals submitted to the lenders under RBI Resolution Framework for resolution of stressed assets on account of COVID-19 situation;</li> <li>(iii) Comparing the Company's performance for the year with the Financial forecasts submitted to the lenders under the said One Time Restructuring to assess the reasonableness of the assumptions;</li> <li>(iv) Comparing the Company's projections of future taxable profit to the approved business plans;</li> </ul> <p>Evaluation of Financial Results of Companies operating in</p>



<p>proposed equity infusion by the prospective investor did not go through.</p> <p>The ability of the Company to resolve the ongoing issues with the lenders w.r.t to the restructuring and securing the desired NOC for completing the CRE Sales, achieving planned equity infusion and alongwith continued improvement in business operations will be critical in its continuation as a Going Concern.</p> <p>This was considered as a key audit matter as the ability to continue as a going concern is material to the preparation of financial statements.</p>	<p>Comparable segments / industries and impact of COVID-19 thereon</p> <p>(vi) Reviewing the adequacy of disclosures made in the financial statements with regard to Status of Business Operations.</p> <p>Based on the above procedures performed, our testing did not identify any material exceptions with respect to the reasonability of the usage of Going Concern assumption as at March 31, 2021. However, the same will be subject to on-going review and assessment during FY 2022-23 as the ability of the Company to continue as a Going Concern will be greatly dependent on the CRE Sales, Equity Infusion and Improved Business Operations.</p>
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#### Other Matters

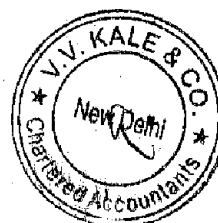
##### (i) MSME Related Dues:

The Company has total MSME dues as at March 31, 2022 amounting to INR 154.31 Lakhs which are outstanding for a period beyond 45 days as stipulated in the Micro, Small and Medium Enterprises Act, 2006. As per Section 16 of the said Act, the Company is required to pay interest on such delayed payments amounting to INR 11.31 Lakhs. As per the Company, the delay in payments is on account of temporary financial difficulties which have increased on account of COVID-19 situation affecting the Hospitality Industry in particular and that it will clear all MSME dues at the earliest.

##### (ii) Financial Numbers of Subsidiaries not audited by us:

The consolidated Financial Results include the audited Financial Results of two subsidiaries located outside India, whose Financial Statements/Financial Results/financial information reflects Group's share of total assets of Rs. Nil lakhs as at March 31, 2022, Group's share of total revenue of NIL and NIL and Group's share of total net profit/(loss) after tax of Rs. (15285.66) Lakhs and Rs. (74530.92) lakhs for the quarter and year ended March 31, 2022, as considered in the consolidated Financial Results, which have been audited by their respective independent auditors.

The independent auditors' reports on financial statements/ Financial Results/financial information of this entity has been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditors.



**(iii) Figures for Quarter ended March 31, 2022:**

The Consolidated Financial Results includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which are subjected to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of the above matters (i) to (iii).

**Board of Directors' Responsibilities for the Consolidated Financial Results**

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit, other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

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

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

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



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

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

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



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

**For, V V Kale & Co**

*Chartered Accountants*

Firm Regi. Number: 000897N



**Vijay V. Kale**

Partner

Membership No: 080821

UDIN: 22080821AJTXZY6188



Place: New Delhi

Date: 28.05.2022