

REGISTERED OFFICE :  
BHIKAJI CAMA PLACE, M.G. MARG,  
NEW DELHI - 110066  
TELEPHONE : 26791234  
FAX : 26791033  
CIN : L55101DL1980PLC011037  
Website : www.asianhotelnorth.com  
E-mail : investorrelations@ahlnorth.com



## ASIAN HOTELS (NORTH) LIMITED

AHL/CS/1013/2022  
3<sup>rd</sup> September, 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**  
**Plot No. C/1, G Block**  
**Bandra-Kurla Complex, Bandra (E), Mumbai**  
**- 400 051**

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

**Symbol: ASIANHOTNR**

**Dear Sirs,**

**Subject: Submission of Annual Report 2021-22 & Notice of 41<sup>st</sup> Annual General Meeting**

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the financial year 2021-22 along with Notice of 41<sup>st</sup> Annual General Meeting.

Further, this is to inform that the Company has completed the electronic dispatch of the Notice and Annual Report 2021-22 to the shareholders on Saturday, the 3<sup>rd</sup> September, 2022, and the same is also available on the Company's website at [www.asianhotelnorth.com](http://www.asianhotelnorth.com).

This is for your information and record please.

Thanking you,

Yours faithfully,  
For Asian Hotels (North) Limited

TARUN Digitally signed  
by TARUN  
SRIVASTA SRIVASTAVA  
Date: 2022.09.03  
17:38:38 +05'30'  
VA

Tarun Srivastava  
Company Secretary & Compliance Officer



Encl: as above

OWNERS OF :



**HYATT  
REGENCY**  
DELHI



*Asian Hotels (North) Limited*



41st

Annual Report 2021-22

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Amritesh Jatia  
*Managing Director*  
Sanjeev Agarwala  
Mita Jha  
Ashish Dhanuka  
Preeti Gandhi  
Akhilesh Bhuwalka

## CHIEF FINANCIAL OFFICER

Ashish Dhanuka

## COMPANY SECRETARY & COMPLIANCE OFFICER

Tarun Srivastava

## AUDITORS

V.V. Kale & Company  
Chartered Accountants  
16A/20, W.E.A.,  
Main Ajmal Khan Road  
Karol Bagh, New Delhi – 110 005

## BANKERS

Bank of Maharashtra  
Axis Bank Limited  
IndusInd Bank Limited  
Punjab National Bank  
DBS Bank Limited  
Yes Bank Limited

## REGISTRAR & TRANSFER AGENTS

KFin Technologies Limited  
Selenium Building, Tower-B,  
Plot No. 31 & 32,  
Financial District Nanakramguda,  
Serilingampally  
Hyderabad – 500 032  
Toll Free No. 1800 309 4001  
Website: [www.kfintech.com](http://www.kfintech.com)  
E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

## REGISTERED OFFICE & INVESTOR RELATIONS DEPARTMENT

Bhikaiji Cama Place, M.G. Marg, New Delhi – 110 066

Tel: 91 11 66771225-1226, Fax: 91 11 26791033

Website: [www.asianhotelsnorth.com](http://www.asianhotelsnorth.com) E-mail: [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com)

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# ASIAN HOTELS (NORTH) LIMITED

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## ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg,  
New Delhi – 110066

Phone: 011 66771225/26; Fax: 011 26791033

Website: [www.asianhotelsnorth.com](http://www.asianhotelsnorth.com)

E-mail: [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com)

## NOTICE

Notice is hereby given that the 41st (Forty-first) Annual General Meeting (hereinafter referred to as "the AGM") of ASIAN HOTELS (NORTH) LIMITED (hereinafter also referred to as "the Company") will be held on Wednesday, the 28th September, 2022 at 10.30 a.m. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), to transact the following business(es). The venue of the AGM shall be deemed to be the Registered Office of the Company.

### ORDINARY BUSINESS (ES):

1. To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2022 and Reports of Board of Directors and Auditors thereon
2. To appoint a Director in place of Mr. Akhilesh Bhuwarka (DIN: 02764273), who retires by rotation at this Annual General Meeting and being eligible, offered himself for re-appointment;

### SPECIAL BUSINESS(ES):

#### 3. Appointment of Mr. Amritesh Jatia (DIN: 02781300) as a Managing Director of the Company

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in pursuance of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (the Act) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including statutory modification(s) or re-enactment(s) thereof, for the time being in force read with the Articles of Association of the Company, and in accordance with the Nomination and Remuneration Policy of the Company, the plans for orderly succession for appointments as duly approved by the Board of the Company, the consent of the Members be and is hereby accorded to appoint Mr. Amritesh Jatia (DIN: 02781300) as Managing Director of the Company for a term of five consecutive years commencing from 23rd October, 2021 to 22nd October, 2026, not liable to retire by rotation, on such terms and conditions as set out in the Explanatory Statement annexed hereto without remuneration, with powers to the Board to alter, amend, vary and modify the terms and conditions of the said appointment, from time to time as it deems fit, based on the recommendation of the Nomination and Remuneration committee, in such manner as may be decided by the Board of Directors.

**RESOLVED FURTHER THAT** any of the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be required, considered necessary or incidental thereto, and to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director to give effect to the aforesaid resolution."

#### 4. Appointment of Mr. Ashish Dhanuka (DIN: 07220876) as a Director of the Company, liable to retire by rotation

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or re-enactment(s) thereof and any rules made thereunder, for the time being in force, read with the Articles of Association of the Company and on the recommendation of Nomination and Remuneration Committee along with Nomination and Remuneration Policy of the Company, Mr. Ashish Dhanuka (DIN: 07220876), who was appointed as an Additional Director of the Company with effect from 23rd October, 2021, and whose term expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** any of the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director to give effect to the aforesaid resolution."

#### 5. Appointment of Mr. Ashish Dhanuka (DIN: 07220876) as a Whole Time Director of the Company

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in pursuance of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules framed thereunder and Schedule V of the Act read with SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force also read with the Articles of Association of the Company, subject to the requisite approvals and as agreed by the Board of Directors the consent of the members of the Company be and is hereby accorded to appoint Mr. Ashish Dhanuka (DIN: 07220876) as a Whole Time Director

# ASIAN HOTELS (NORTH) LIMITED

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designated as Executive Director and Chief Financial Officer of the Company, liable to retire by rotation, for a period of 3 (Three) years commencing from 23rd October 2021 to 22nd October 2024 on the remuneration and on such terms and condition as detailed in the explanatory statement attached hereto subject to the provisions of section 197 and all other applicable provisions of the Act and Schedule V thereto.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits during the period of appointment of Mr. Ashish Dhanuka, the Company shall pay remuneration by way of Salary including perquisites and allowances as mentioned in the explanatory statement of this Notice in accordance with the Schedule V of the Companies Act, 2013 as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or increase the remuneration based on the recommendation of the Nomination & Remuneration Committee and Audit Committee and in accordance with the Nomination and Remuneration Policy of the Company, subject to the same not exceeding the limits specified under Section 197 and / or Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

**RESOLVED FURTHER THAT** any of the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director to give effect to the aforesaid resolution."

## 6. Re-appointment of Ms. Preeti Gandhi (DIN:08552404) as an Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with Schedule IV of the Companies Act, 2013 ("Act") and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Nomination and Remuneration Policy of the Company and as approved by the Board of Directors of the Company, Ms. Preeti Gandhi (DIN: 08552404), Non-Executive Independent Woman Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing her candidature for the office of Director, be and is hereby re-appointed as a Non-Executive Independent Woman Director of the Company, not liable to retire by rotation, to hold office for a second term of 3 (three) consecutive years w.e.f. 13th September, 2022 to 12th September, 2025.

**RESOLVED FURTHER THAT** any of the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director to give effect to the aforesaid resolution."

## 7. Appointment of Mr. Sanjeev Agarwala (DIN:09342150) as an Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Nomination and Remuneration Policy of the Company and as approved by the Board of Directors of the Company, Mr. Sanjeev Agarwala (DIN: 09342150), who was appointed as an Additional Director in the capacity of Independent Non-Executive Director on the Board of the Company w.e.f. 4th October, 2021, qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office w.e.f. 4th October, 2021 for a term of 2 (two) consecutive years, i.e., up to 3rd October, 2023.

**RESOLVED FURTHER THAT** any of the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director to give effect to the aforesaid resolution."

## 8. Appointment of Ms. Mita Namonath Jha (DIN:07258314) as an Independent Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), Nomination and Remuneration Policy of the Company and as approved by the Board of Directors of the Company, Ms. Mita Namonath Jha (DIN: 07258314), who was appointed as an Additional Director in the capacity of Independent Non-Executive Director on the Board of the Company w.e.f. 7th July, 2022, qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office w.e.f. 7th July, 2022 for a term of 1 (one) year, i.e., up to 6th July, 2023."

# ASIAN HOTELS (NORTH) LIMITED

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**RESOLVED FURTHER THAT** any of the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director to give effect to the aforesaid resolution."

By order of the Board of  
**ASIAN HOTELS (NORTH) LIMITED**

Place: New Delhi  
Date: 9th August, 2022

Tarun Srivastava  
Company Secretary and Compliance Officer  
M. No.: 53209

# ASIAN HOTELS (NORTH) LIMITED

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## NOTES:

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular Nos. 14/2020 read with 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, General Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 8th December, 2021, General Circular No. 21/2021 dated 14th December, 2021 and General Circular No. 02/2022 dated 5th May, 2022 ("MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 on 13th May, 2022 (collectively "SEBI Circulars") have permitted companies to conduct AGM through VC or OAVM, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the 41st AGM of the Company is being convened and conducted through VC. The registered office of the Company shall be deemed to be the venue for the AGM. The detailed instructions for accessing and participating in the AGM through VC/OAVM facility is mentioned in Note No.13 below and available on the website of the Company. In compliance with the General Circular No. 20/2020 issued by the MCA, item mentioned in special business in this AGM notice are considered unavoidable and forms part of this Notice.

Accordingly, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose names appear in the Register of Members/list of beneficial owners as furnished by the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of 26th day of August, 2022 and have their email addresses registered with the Company/Depositories.

Pursuant to the SEBI Circulars, no physical copy of Annual Report will be dispatched to Shareholder unless they expressly request for the same.

KFin Technologies Limited ('Kfintech') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The detailed instructions for accessing and participating in the AGM through VC/ OAVM facility is mentioned in Note No.13 below.

Members may note that Notice of the AGM and Annual Report 2021-22 will also be available on the Company's website [www.asianhotelsnorth.com](http://www.asianhotelsnorth.com), website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and also on the website of the Registrar & Transfer Agent namely KFin Technologies Ltd. (RTA) at [www.kfintech.com](http://www.kfintech.com).

2. Since the AGM shall be held through VC/OAVM and the physical attendance of Members has been dispensed with in terms of the MCA Circulars, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Companies Act, 2013 ("the Act") will not be available for the AGM. Hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

Institutional/Corporate Members are advised to appoint their Authorized Representatives in pursuance of Section 113 of the Act for the purposes of exercising remote e-voting, attending the AGM through VC/OAVM and e-Voting during the AGM. Institutional/Corporate Members intending to appoint their authorized representatives are requested to provide a duly certified copy of the Resolution of its Board or Governing Body under Section 113 of the Act (in PDF Format), authorizing them to exercise remote e-voting, attend the AGM through VC/OAVM and exercise e-Vote at the AGM, and email the same to the Scrutinizer through their registered email at [rupesh@cacsindia.com](mailto:rupesh@cacsindia.com) with a copy marked to the Company and the RTA at [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com) and [evoting@kfintech.com](mailto:evoting@kfintech.com) respectively.

3. Members attending the AGM through VC/OAVM shall be reckoned for the purposes of the quorum under Section 103 of the Act.
4. An explanatory Statement pursuant to Section 102 of the Act and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) related to the special business is annexed hereto and forms part of the Notice.

Additional information pursuant to Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment/ re-appointment at the AGM, is appended and be construed as a part of this Notice.

5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested under Section 189 of the Act or any other documents as may be required electronically during the AGM shall be accessible for the inspection electronically by the Members during the continuance of the AGM.

Documents referred to in the accompanying Notice along with the explanatory statements will be open for inspection by the Members in electronic mode during business hours between 10.00 a.m. and 5.00 p.m. on all working days (except Saturday and Sunday) till the date of the AGM, and also during the AGM. The members seeking to inspect such documents can send an email to [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com) requesting the same. On receiving a valid email request from any member, the Company shall make requisite arrangements for inspection of such documents.

6. Members seeking information or clarification regarding any business placed before the AGM may e-mail their query from their registered e-mail address, mentioning their name, DP-ID and Client-ID/ Folio No. and mobile no. to reach the Company's e-mail address at [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com) at least 72 hours in advance before the start of the said meeting.



# ASIAN HOTELS (NORTH) LIMITED

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7. Members of the Company are advised to nominate a person pursuant to Section 72 of the Act read with SEBI Circular, in whom the shares held by him/them shall vest in the unfortunate event of his/their death. Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. Members holding shares in dematerialized form may file their nomination directly with their respective Depository Participant. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://www.asianhotelsnorth.com/Downloads.html>
8. Securities and Exchange Board of India ("SEBI") has mandated that effective 1st April, 2019, securities of listed companies can be transferred only in dematerialized form, and accordingly, the Company and its RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to dematerialize their securities.
9. The Register of Members and Share Transfer Books of the Company will remain closed from the 22nd September, 2022 to 28th September, 2022 inclusive of both days.
10. In compliance with the MCA Circulars and to ensure that this Annual Report 2021-22 and notice for the AGM reaches all members, the Company had published a Notice in "Business Standard" newspaper (published on 24th August 2022) advising the Members who have not registered/updated their e-mail addresses with the Company to register/update their e-mail addresses in the manner described therein

**In continued compliance of Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide yet another opportunity to the members to register/update their e-mail addresses by providing the requisite details in the proforma annexed towards the end of the Annual Report.**

- a) Members holding shares in physical mode are requested to notify change, if any, in their e-mail address, mailing address including pin code, bank details, residential status etc. to the Company or RTA, quoting their folio number, at [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com) or [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) respectively.
- b) Members holding shares in electronic form should notify any change in their e-mail address, mailing address including pin code, bank details, residential status etc. directly to their respective Depository Participants.

The Members may contact the Share Department of the Company at the above-mentioned address, telephone numbers and e-mail id or the RTA at their registered office at Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032; Toll Free No. 1800-309-4001; or at the e-mail id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for any assistance/clarification.

11. The Securities and Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever requisite bank details are available. **Members holding shares in physical form are also requested to register their mandate for transfer of future dividend, as well as unclaimed/unpaid dividends through NECS so that the same may be deposited directly to the members' respective bank accounts. The proforma for registration/up-dation of NECS mandate is annexed towards the end of the Annual Report.** In the absence of NECS facilities, the Company prints the bank account details, if available, on the dividend warrant to avoid any fraudulent encashment of warrants.
12.
  - a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of The Companies (Management & Administration) Rules, 2014, and Regulation 44 of the Listing Regulations, the Company is pleased to provide to the members the facility to exercise their right to vote by electronic means in respect of the business placed at the AGM through remote e-voting platform and e-voting at the AGM provided by KFin Technologies Ltd.
  - b) The members attending the AGM through VC/OAVM who have not cast their vote through remote e-voting shall be provided the opportunity to vote through e-voting at the AGM.
  - c) The members who have cast their vote prior to the AGM through remote e-voting may also attend the said meeting through VC/OAVM. However, such members shall not be entitled to cast their votes again at the AGM.
  - d) In case of joint holders attending the Meeting, only such joint holder whose name appears first in order of joint holders will be entitled to vote at the AGM.
  - e) Every Client ID No./Folio No. will have one vote, irrespective of number of joint holders.
13. **General instructions for accessing and participating in the AGM through VC/OAVM:**
  - a) Members may note that the VC/OAVM facility, provided by RTA allows participation of 1,000 Members on a first-come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on account of first-come first-served principle.
  - b) The window for joining the meeting through VC/OAVM shall open for the Members from 10.15 a.m. IST i.e. 15 minutes before the scheduled time for the commencement of the AGM and shall remain open throughout the proceedings of the AGM.
  - c) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM.
  - d) Members may join the AGM through VC/OAVM or view the live webcast at <https://emeetings.kfintech.com> by using their e-voting login credentials.

# ASIAN HOTELS (NORTH) LIMITED

- e) Members are requested to follow the procedure as set out below:
- i. Launch internet browser (chrome/firefox/safari) by typing the URL: <https://emeetings.kfintech.com>
  - ii. Enter the login credentials (i.e. User ID and password for e-voting)
  - iii. After logging in, click on "Video Conference" option
  - iv. Then click on camera icon appearing against AGM event of Asian Hotels (North) Limited to attend the Meeting.
- f) Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the E-voting instructions.
- g) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during the e-voting period from 24th September, 2022, 09.30 am to 27th September, 2022 till 05.00 pm. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Members are requested to remember the same and wait for their turn to be called by the Chairman of the Meeting during the Question and Answer Session. Due to inherent limitation of transmission and coordination during the AGM, the Company may curtail the Question and Answer Session. Hence, Members are encouraged to send their questions/queries etc.
- h) Members who need assistance before or during the AGM, can contact KFin Technologies Limited on [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call on toll free number 1800 309 4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting EVEN Number in all your communications.
- i) Members are advised to join the AGM using laptops and ensuring internet connectivity with good speed for better sound and video clarity. Those connecting from Mobile Devices or Tablets or through laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any disturbance.

## 14. Instructions for and other information relating to remote e-voting:

In connection with e-Voting facility provided by Listed Companies SEBI has issued Circular, bearing No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 stating, e-voting process has been enabled to all individual shareholders holding securities in demat mode to vote through their demat account maintained with depositories/websites of depositories/depository participants.

Accordingly the Company is allowing individual shareholders holding securities in Demat mode to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in order to access e-Voting facility in following manner:

### 14.1 Login method for remote e-Voting for Individual shareholders holding securities in demat mode is given below:

NSDL	CDSL
<p><b>1. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>I. URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the "Beneficial Owner" icon under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>IV. Click on company name of the e-Voting service provider and you will be re-directed to e-Voting service provider website, select the Company name Asian Hotels (North) Limited from the Drop down button for casting the vote during the remote e-Voting period.</li> </ol>	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>I. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with user id and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal.</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol>
<p><b>2. User not registered for IDeAS e-Services</b></p> <ol style="list-style-type: none"> <li>I. To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select "Register Online for IDeAS"</li> <li>III. Proceed with completing the required fields.</li> </ol>	<p><b>2. User not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> </ol>

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<p><b>3. User not registered for IDEAS e-Services</b></p> <ol style="list-style-type: none"> <li>i. To register click on link : <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>ii. Proceed with completing the required fields.</li> </ol>	<p><b>3. By visiting the e-Voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>I. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP i.e. KFINTECH where the e- Voting is in progress.</li> </ol>
<p><b>4. By visiting the e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>i. Open URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a></li> <li>ii. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a "Verification" Code as shown on the screen.</li> <li>iv. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech.</li> <li>v. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol>	

<p>Individual Member login through their demat accounts / Website of Depository Participant</p>	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>• Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>• Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</li> </ul>
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**Important note:**

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43.</p>

**14.2 Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode is given below:**

- A. Members whose e-mail IDs are registered with the Company/Depository Participants, on receiving an e-mail from KFin Technologies Ltd. should:
- i) Launch internet browser by typing the URL:<https://evoting.kfintech.com> in the address bar and click on "Enter". The Home screen will be displayed and then click on 'Shareholders' icon on the homepage.
  - ii) Enter the login credentials (i.e. User ID and password mentioned over leaf). Your Folio No. DP ID – Client ID will be your User ID. However, if you are already registered with KFintech for E-voting, you can use your existing User ID and password for casting your vote.
  - iii) After entering these details appropriately, click on "LOGIN".
  - iv) You will now reach password change Menu wherein you are required to mandatory change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric

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value (0-9) and a special character (@,#,\$ etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password and that you take utmost care to keep your password confidential.

- v) You need to log-in again with the new credentials.
- vi) On successful log-in, the system will prompt you to select the E-Voting Even Number "EVEN" for Asian Hotels (North) Limited.
- vii) On the voting page, enter the number of shares as on the cut-off date (which represents the number of votes) under each of the heading of the resolutions and cast your vote by selecting the "FOR/AGAINST" option or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option ABSTAIN and the shares held will not be counted under either head. Option "FOR" implies assent to the resolution and "AGAINST" implies dissent to the resolution.
- viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as ABSTAINED.
- x) You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can log-in any number of times till they have voted on the resolutions.
- xii) Institutional/Corporate Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID rupesh@cacsindia.com with a copy marked to the Company and RTA at investorsrelations@ahlnorth.com and evoting@kfintech.com respectively. They may also upload the same in the E-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Asian Hotels (North) Limited EVEN NO. 6927."

B. In case of a Member whose e-mail address is not registered/updated with the Company/RTA/Depository Participant(s) including those who becomes member of the Company after email of the Notice of the meeting and holding shares as on the cut-off date i.e. 21st September, 2022, may obtain the User Id and password in the manner as mentioned below:

- (a) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register /update the same by clicking on <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx> or by writing to the Company with details of folio number and attaching a self attested copy of PAN card at [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com) or to RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
- (b) Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register /update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.
- (c) After due verification, the Company / RTA will forward your login credentials to your registered email address.
- (d) Follow the instructions given at Note no.14.1to cast your vote.
- (e) You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending further communication(s).

15. Members of the Company holding shares in physical form or in dematerialized form, as at the close of business hours on the cut-off date, being 21st September, 2022 shall only be entitled to vote on the proposed resolutions; and their shareholding on such date shall only be reckoned for the purposes of arriving at the results of the remote e-voting and e-voting at the AGM.

The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as at the close of business hours on the cut-off date, i.e. 21st September, 2022.

16. The remote e-voting period commences on 24th September, 2022 at 9.30 a.m IST and ends on 27th September, 2022 at 5.00 p.m IST. Thereafter, the remote e-voting module shall be disabled for voting. E-vote once cast, cannot be altered subsequently.

Members, who could not cast their vote through remote e-voting, shall be provided the opportunity to vote electronically during the AGM.

**Information and instructions for the electronic voting at the AGM (Insta Poll):** Facility to cast vote through Insta Poll will be made available on the VC/OAVM screen and will be activated once the Insta Poll is announced at the AGM.

Members who may cast their vote through remote e-voting are also entitled to attend the AGM through VC/OAVM but shall not be permitted to vote at the meeting through e-Voting (Insta Poll). In case of voting by both the modes, votes cast through remote e-voting shall only be considered valid.

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17. In case of any query pertaining to remote e-voting, please visit Help & FAQs section of KFin Technologies Ltd. website i.e. <https://evoting.kfintech.com> or contact KFin Technologies Ltd. at Telephone No.: 1800 309 4001 (toll-free). The members may also contact the following designated officer at KFin's office:

Mr. D Suresh Babu  
KFin Technologies Limited  
Selenium Tower-B, Plot 31 & 32,  
Financial District, Nanakramguda, Serilingampally Mandal,  
Hyderabad, 500 032, Telangana  
email: [evoting@kfintech.com](mailto:evoting@kfintech.com)

18. The Board of Directors of the Company, at its meeting held on 9th August, 2022, has appointed Mr. Rupesh Agarwal, Managing Partner (Membership No. ACS 16302), failing him Dr. S. Chandrasekaran, Senior Partner (Membership No. FCS 1644) failing him Mr. Shashikant Tiwari, Partner (Membership No. FCS 11919), M/s. Chandrasekaran Associates, Company Secretaries, as the Scrutinizer for conducting the remote e-voting process as well as the electronic voting at the AGM (Insta Poll) in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first unblock and determine the votes cast at the meeting through e-voting, and there-after unblock the votes cast through remote e-voting, on both occasions in the presence of at least two (2) witnesses not being in the employment of the Company, and prepare not later than 2 working days in terms of Listing Regulations or 3 days in terms of Act, whichever is earlier from the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman of the Company or in his absence to Mr. Sanjeev Agarwala, Independent Non-Executive Director and Chairman, Audit Committee, as authorized by the Board, whereupon the Chairman/Mr. Sanjeev Agarwala shall declare the result forthwith. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the date of the AGM. Once declared, the result shall be notified to the Stock Exchanges and uploaded on the website of the Company and RTA.
19. Those persons, who have acquired shares and have become Shareholders of the Company after the email of Notice of the AGM by the Company and whose names appear in the Register of Shareholders or Register of beneficial holders as on the cut-off date i.e. 21st September, 2022 shall view the Notice of the AGM on the Company's website or on the website of KFin Technologies Limited.

Such persons may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he/she is already registered with NSDL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting at the AGM.

By order of the Board of  
**ASIAN HOTELS (NORTH) LIMITED**

Place: New Delhi  
Date: 9th August, 2022

Tarun Srivastava  
Company Secretary and Compliance Officer  
M. No.: 53209



# ASIAN HOTELS (NORTH) LIMITED

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### ITEM NO. 3

Mr. Shiv Kumar Jatia, Chairman and Managing Director of the Company resigned w.e.f. 21st October, 2021 from the Board of the Company. In view of the "plans for orderly succession for appointments", Mr. Amritesh Jatia, being the other Promoter Director ought to be the natural successor to him. Consequently, the Nomination and Remuneration Committee of the Board in its meeting held on 23rd October, 2021, considered the candidature of Mr. Amritesh Jatia, keeping in view his association with the Company since 2010, being the Promoter Director holding position as a Non-Executive Director, recommended his appointment as Managing Director to the Board without any remuneration. Further the Board in its meeting held on 23rd October, 2021 approved the appointment of Mr. Amritesh Jatia (DIN: 02781300) as a Managing Director of the Company w.e.f. 23rd October, 2021 subject to the approval of members of the Company for a period of 5 five years i.e. upto 22nd October, 2026.

Mr. Amritesh Jatia, aged about 36 years, graduated in Business Management from Babson College, U.S.A., and worked as an Analyst with Ernst & Young LLP, New York. Since returning to India, he has been monitoring execution and progress of various projects initiated by the Jatia Group. Mr. Amritesh Jatia has about fifteen years' of experience in the industry. In view of his educational background and experience in the industry, he holds good command over financial and operational functions.

Mr. Amritesh Jatia has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 in form DIR-8, nor debarred from holding the office of Director of the Company, by virtue of any order passed by SEBI or any such statutory authority and given his consent to act as a Managing Director along with Declaration that he meets the criteria of the Schedule V of the Act.

The details, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Secretarial Standard-2 on General Meetings ("SS-2") issued by Institute of Company Secretaries of India are annexed and forms part of this notice.

Except Mr. Amritesh Jatia, none of the Director and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, either financially or otherwise, in the resolution proposed at Item No. 3 of the accompanying Notice except to the extent of their respective shareholding in the Company and for holding the office of Director therein.

The Board recommends the Ordinary Resolution as set out at item no. 3 for approval by the Members.

### ITEM NO. 4 & 5

The Board of Directors at its meeting held on 23rd October, 2021, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Ashish Dhanuka (DIN: 07220876), as an Additional Director in the category of Whole Time Director designated as Executive Director and Chief Finance Officer of the Company, with effect from 23rd October, 2021 who shall hold the office up to the date of the ensuing AGM.

Therefore, approval of the shareholders is sought for the appointment of Mr. Ashish Dhanuka as Director designated as Whole Time Director of the Company.

The Company has received notice under Section 160 of the Companies Act, 2013 from member signifying intention to propose the candidature of Mr. Ashish Dhanuka for the office of a Director of the Company.

Further, The Nomination and Remuneration Committee of the Board, considered the candidature of Mr. Ashish Dhanuka, aged 30 years, keeping in view his association with the Company and holding positions of Chief Financial Officer since 24th July, 2021 recommended his appointment as a Director in the category of Whole Time Director designated as Executive Director and Chief Finance Officer to the Board. Subsequently, Board, subject to the approval of the members of the Company, approved the appointment of Mr. Ashish Dhanuka as a Director in the category of Whole Time Director designated as Executive Director and Chief Finance Officer of the Company for the period of 3 years effective from 23rd October, 2021 to 22nd October, 2024.

Mr. Ashish Dhanuka has done B.Com (Hons) from Calcutta University and has about eight years' experience in the Industry. He has worked in the field of Finance Analysis & Management, Taxation & reporting with ADS Resources Ltd., Hongkong. He has been monitoring execution and progress of various projects initiated by the Company since his association with the Company.

### TERMS AND CONDITIONS:

#### Remuneration:

Salary: Rs. 9,00,000/- per annum (w.e.f 23rd October, 2021 till 27th May, 2022)  
Rs. 18,00,000/- per annum (w.e.f 28th May, 2022)

LTA, Ex-Gratia, and Insurance shall be paid in accordance with the policy of the Company, or as may be agreed to by the Board of Directors. Gratuity shall be paid as per Payment of Gratuity Act, 1972.

#### Minimum Remuneration

In the event of absence or inadequacy of profits during the period of appointment of Mr. Ashish Dhanuka, the Company shall pay remuneration by way of Salary including perquisites and allowances as mentioned in the explanatory statement of this Notice in accordance with the Schedule V to the Companies Act, 2013 as minimum remuneration.

# ASIAN HOTELS (NORTH) LIMITED

## Termination

In the event of termination by Mr. Ashish Dhanuka or by the Company, either party can terminate the contract of service by giving to the other 2 months calendar notice in writing or on such other terms as may be mutually agreed.

The Board of Directors or committee thereof may, in their discretion, revise/modify any of the terms from time to time within limits stipulated.

Mr. Ashish Dhanuka has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, nor debarred from holding the office of Director of the Company, by virtue of any order passed by SEBI or any such statutory authority and given his consent to act as a Director.

Further, Statement pursuant to Clause IV of Para (B) of Section II of Part II of Schedule V of the Act detailing information prescribed therein is appended and forms part of the accompanying Notice. Mr. Ashish Dhanuka holds 128 (One Hundred Twenty eight) equity shares of the Company.

Except Mr. Ashish Dhanuka, none of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested either financially or otherwise in the resolution proposed at Item No. 4 & 5 of the accompanying Notice except to the extent of their respective shareholding in the Company and for holding the office of Director therein.

The Board recommends the Ordinary Resolution as set out at item no. 4 and Special Resolution as set out at item no. 5 for approval by the Members.

In terms of Schedule V to the Companies Act 2013, the relevant details are as under:

### I. General Information

- i. Nature of Industry: Hospitality Sector
- ii. Date of commencement of commercial production: 1st May, 1983
- iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. :NA
- iv. Financial performance based on given indicators:

Particulars	FY 2021-22	FY 2020-21
Total Revenue	13,052.54	7,258.30
Profit Before Tax	(12,481.15)	(69512.81)
Net Profit After Tax	(12,481.15)	(69,513.58)
EPS	(64.16)	(357.34)

- v. Foreign Investments or collaborations, if any:

For details of investment made by the Company, please refer the schedule no. 5 of the Standalone Balance Sheet forming part of the Annual Report for 2021-22 being sent along with this Notice.

As on 31st March, 2022, the shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies, in the Company is detailed as under:

Particulars	No. of shares	%
Foreign- Bodies Corporate (Promoter Group Entity)	98,30,025	50.53
Foreign Body Corporate (Non-Institutions)	6,90,802	3.55
Foreign Portfolio Investors	214	0.00

### II. Information about the appointee:

	Mr. Ashish Dhanuka
Background Details	Mr. Ashish Dhanuka has done B.Com(Hons) from Calcutta University and has about eight years' experience in the Industry. He has worked in the field of Finance Analysis & Management, Taxation & reporting with ADS Resources Ltd., Hongkong. He has been monitoring execution and progress of various projects initiated by the Company since his association with the Company
Past Remuneration	Rs. 9.00 Lakh p.a.
Recognition or awards	-

# ASIAN HOTELS (NORTH) LIMITED

Job profile and his suitability	In the capacity of Whole Time Director designated as an Executive Director and Chief Financial Officer, he shall be responsible for the taxation and finance of the Company.
Remuneration proposed	As mentioned in the explanatory statement
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The current remuneration being paid to the Whole-time Director and Chief Financial Officer (looking at the profile of the position and person) is lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Apart from the remuneration paid to him as Whole-time Director and Chief Financial Officer as stated above and their respective shareholding held directly or indirectly in the Company, the Director do not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

### III. Other Information:

#### i. Reasons of loss or inadequate profits:

1. Due to global COVID-19 pandemic restrictions /travel restrictions and lockdowns in the country, the hospitality industry in general has not been doing well which resulted into reduced international tourist inflow affecting both Food & beverages division, the occupancy levels as well as the average room rate.
2. The Company had substantial liability on account of accumulated interest obligations and borrowings.
3. Foreign exchange fluctuation has severally impacted the operations of the Company.

#### ii. Steps taken or proposed to be taken for improvement:

1. The Company is earnestly working on controlling the operational costs, refinancing its debts to reduce the interest costs and improving the overall efficiency levels to improve the Overall performance.

#### iii. Expected increase in productivity and profit in measurable terms:

1. The Company is making all efforts in increasing efficiencies and controlling costs. It is expected that these efforts should yield results and the performance during the financial year 2022-23 and should be better than the previous year.
2. Due to improvement in COVID-19 situation and relaxation in related restrictions, the tourist inflow is getting better and expected to be better in coming days in festive season than the previous year and position of the Company is expected to be better than before.

### IV. Disclosures

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, stock option details, etc., if any, have been made in the Boards' Report under the heading "Corporate Governance Report" forming part of the Annual Report for 2021-22.

#### ITEM NO. 6

The Members of the Company had at their Annual General Meeting held on 24th December, 2020 approved the appointment of Ms. Preeti Gandhi (DIN: 08552404), as Non-Executive Independent Woman Director of the Company to hold office for a term of 2 (Two) consecutive years with effect from 13th September, 2020. The first term of her appointment will be completed on 12th September, 2022.

Pursuant to Section 149(10) of the Companies Act, 2013 (the 'Act'), an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Accordingly, Ms. Preeti Gandhi being eligible for re-appointment as an Independent Director, the Board of Directors of the Company ('the Board') at its meeting held on 9th August, 2022, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), subject to approval of the Members, re-appointed Ms. Preeti Gandhi (DIN: 08552404) as Non-Executive Independent Woman Director of the Company for a second term of 3 (Three) consecutive years, with effect from 13th September, 2022 to 12th September, 2025, in terms of Section 149 read with Schedule IV of the Act, and relevant Regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as set out in the resolution relating to her re-appointment.

The Company has received notice under Section 160 of the Act, from member signifying intention to propose the candidature of Ms. Preeti Gandhi for the office of an Independent Director of the Company. Further the Company has also received the consent to act as an Independent Director in prescribed format Form DIR-2 along with the declaration from her that she meets the criteria of independence as prescribed under Section 149 (6) of the Act and under Regulation 16 of the Listing Regulations and She has confirmed that she is neither disqualified from being appointed as a Director in terms of Section 164 of the Act in form DIR-8 nor debarred from holding office as

# ASIAN HOTELS (NORTH) LIMITED

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a Director of the company, by virtue of any SEBI Order or any other such authority and given her consent to act as a Director.

The Board is of the view that, given the knowledge, experience and performance of Ms. Preeti Gandhi and contribution to Board processes by her continued association as Director will be of immense benefit and in the best interest of the Company. The Board on the basis of the performance evaluation of Ms. Gandhi done by the Nomination and Remuneration Committee recommended the re-appointment for the second term of 3 consecutive years. The performance evaluation report of Ms. Preeti Gandhi has been very good. Ms. Preeti Gandhi, proposed to be re-appointed as aforesaid, effectively participated in discussions on various agenda items, provided independent judgments wherever required, her views, expertise and suggestions were of immense benefit to the Company.

Ms. Preeti Gandhi is qualified and registered with the Indian Institute of Corporate Affairs, Govt. of India, to act as an Independent Director.

The NRC Committee and the Board is of the opinion that Ms. Preeti Gandhi possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act read with rules made thereunder and the Listing Regulations and that she is independent of the management and her continued association as an Independent Director will immensely benefit the Company

The details, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Secretarial Standard-2 on General Meetings ("SS-2") are annexed and forms part of this notice.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice for re-appointment of Ms. Preeti Gandhi as an Independent Director on the Board of the Company.

None of the Directors, except Ms. Preeti Gandhi, Key Managerial Personnel of the Company/ their relatives is, in any way, whether financially or otherwise, concerned or interested, in the special resolution set out at Special Business Item No. 6 of the Notice. The Board recommends the Special Resolution as set out at item no. 6 for approval by the Members.

## ITEM NO. 7

Mr. Sanjeev Agarwala (DIN: 09342150) was appointed by the Board as an Additional Director in the category of Independent Director with effect from 4th October, 2021, who shall hold office up to the conclusion of ensuing AGM in terms of provisions of Section 161 of the Companies Act, 2013, rules made thereunder.

Accordingly, Company has received a notice from a member proposing candidature of Mr. Sanjeev Agarwala, for the office of an Independent Director of the Company in terms of Section 160 of the Companies Act, 2013. Further the Company has also received the consent to act as an Independent Director in prescribed Form DIR-2 along with the declaration to the Company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant Regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and he has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act in form DIR-8 nor debarred from holding office as a Director of the company, by virtue of any SEBI Order or any other such authority and given his consent to act as a Director.

Accordingly, Mr. Sanjeev Agarwala is proposed to be appointed as a Director of the Company in the category of Independent Director for a period of two consecutive years effective from 4th October, 2021 to 3rd October, 2023.

Mr. Sanjeev Agarwala, aged 56, is an industry veteran with over 30 years of experience. His core strengths include fund raising in equity and debt capital markets, private equity, investments, derivatives, as well as mergers and acquisitions. Mr Sanjeev Agarwala holds a bachelor's degree in Commerce from St. Xavier's College in Calcutta, India. He is a Fellow Chartered Accountant in India, Certified Public Accountant from United States of America, a public speaker and erstwhile faculty member at Becker CPA in Dubai Knowledge Village.

Mr. Sanjeev Agarwala is presently the Founder & CEO of ARIA Consultancy, Dubai. He specialises in consultancy in the fields of Family office restructuring, Hospitality, Mergers & Acquisitions, IPO, and Dubai Real Estate. He offers dynamic, results-driven leadership with years of progressive experience leveraging legal skills and business acumen to drive business growth, minimize risk and assurance of compliances.

The Board is of the view that, given the knowledge, experience and contribution of Mr. Sanjeev Agarwala to the Board as a Director will be of immense benefit and in the best interest of the Company.

Mr. Sanjeev Agarwala is qualified and registered with the Indian Institute of Corporate Affairs, Govt. of India, to act as an Independent Director.

The details, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Secretarial Standard-2 on General Meetings ("SS-2") are annexed and forms part of this notice.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 7 of the Notice for the appointment of Mr. Sanjeev Agarwala as an Independent Director on the Board of the Company.

None of the Directors, except Mr. Sanjeev Agarwala, Key Managerial Personnel of the Company/ their relatives is, in any way, whether financially or otherwise, concerned or interested, in the special resolution set out at Special Business Item No. 7 of the Notice. The Board recommends the Special Resolution as set out at item no. 7 for approval by the Members.

## ITEM NO. 8

Ms. Mita Namonath Jha (DIN: 07258314) was appointed by the Board as an Additional Director in the category of Independent Director with effect from 7th July, 2022 who shall hold office up to the conclusion of ensuing AGM, in terms of provisions of Section 161 of the Companies

# ASIAN HOTELS (NORTH) LIMITED

Act, 2013, rules made thereunder. Therefore, Ms. Mita Namonath Jha is proposed to be appointed as a Director of the Company in the category of Independent Director for a period of one year effective from 7th July, 2022 to 6th July, 2023.

Accordingly, Company has received a notice from a member proposing candidature of Ms. Mita Namonath Jha, for the office of Independent Director of the Company in terms of Section 160 of the Companies Act, 2013. Further the Company has also received the consent to act as an Independent Director in prescribed Form DIR-2 along with the declaration to the Company that she meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant Regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Ms. Mita Namonath Jha has confirmed that she is neither disqualified from being appointed as a Director in terms of Section 164 of the Act in form DIR-8 nor debarred from holding office as a Director of the company, by virtue of any SEBI Order or any other such authority and given her consent to act as a Director.

Ms. Mita Namonath Jha, aged 54, has an experience of over 27 years. She is a proven leader at senior level in diverse industries vis mining & metals, packaging, healthcare, financial services and steel. Ms. Mita Namonath Jha is a Gold Medalist in MBA at Hull University, U.K, and holds a Master's degree in Industrial Relations & Personnel Management from Nagpur University, India and holds a bachelor's degree in Arts (Political Science) from Patna University, India.

She specialises in, results-driven leadership with years of progressive experience leveraging legal skills and business acumen to drive business growth, minimize risk and assurance of compliance.

The Board is of the view that, given the knowledge, experience and contribution of Ms. Mita Namonath Jha to the Board as a Director will be of immense benefit and in the best interest of the Company.

Ms. Mita Namonath Jha is qualified and registered with the Indian Institute of Corporate Affairs, Govt. of India, to act as an Independent Director.

The details, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Secretarial Standard-2 on General Meetings ("SS-2") are annexed and forms part of this notice.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 8 of the Notice for the appointment of Ms Mita Namonath Jha as an Independent Director on the Board of the Company.

None of the Directors, except Ms. Mita Namonath Jha, Key Managerial Personnel of the Company/ their relatives is, in any way, whether financially or otherwise, concerned or interested, in the special resolution set out at Special Business Item No. 8 of the Notice. The Board recommends the Special Resolution as set out at item no. 8 for approval by the Members.

**Detailed Profile of Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting, forming part of the Notice convening the said meeting and the accompanying Statement under Section 102 of the Companies Act, 2013 (the Act), and further in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the Secretarial Standard -2 issued by Institute of Company Secretaries of India which may also be read as part of the Corporate Governance Report**

Particulars	Mr. Akhilesh Bhuwalka	Mr. Amrutesh Jatia	Mr. Ashish Dhanuka
DIN	02764273	02781300	07220876
Date of Birth	15.04.1985	16.04.1986	15.04.1992
Age	37 years	36 years	30 years
Nationality	Indian	Indian	Indian
Qualification	Bachelor of Management in Finance, University of Westminster, UK MSc in Finance, Monash university, Australia	Graduation in Business Management from Babson College, U.S.A	B.Com (H), Calcutta University
Experience (including expertise in specific functional area)/ Skills and capabilities/ Brief Resume	He is an entrepreneur having over 11 years of extensive experience in finance, administration & accounting in Manufacturing & Services industry and with the strong ability to make the tangible connection between business and its financial performance for effective decision making. He is proficient in handling finance function entailing strategy, business plans, capital budgeting etc.	He has about Fifteen years' experience. In view of his educational background and experience in the industry, he holds good command over financial and operational functions	He has about eight years' experience in the industry and has an experience of working in the field of Finance Analysis, Management & Taxation.
Terms and Conditions of Appointment / Reappointment	As disclosed in the Corporate Governance Report	As disclosed in explanatory statement at item no. 3	As disclosed in explanatory statement at item no. 4&5
Existing and Proposed Remuneration (including sitting fees, if any)	Nil	Nil	As disclosed in the explanatory statement
Date of first appointment on the Board	18.06.2020	11.11.2010	23.10.2021



# ASIAN HOTELS (NORTH) LIMITED

Shareholding in the Company as on 31 March 2022	Nil	He does not hold any shares in the Company in his individual capacity. However, being one of the directors, controlling shareholder and Significant Beneficial Owner in respect of shares held by Fineline Holdings Limited (FHL) and Yans Enterprises (H.K.) Limited (Yans), he controls 50.53% equity of the Company. Further, being the son of Mr. Shiv Kumar Jatia, he may be considered to have indirect interest in the entire promoters' shareholding of 9861625 equity shares (50.69% of the total equity including the shares held by FHL and Yans) in the Company.	Holding 128 equity shares
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
Number of meetings of the Board attended during the year	4 out of 7	7 out of 7	2 out of 3
Directorships of other Boards as on 31st March 2022	1. Accordion Properties Private Limited 2. Delaware Properties Pvt. Ltd 3. Prithvi Tea Co. Pvt. Ltd.	1. Leading Hotels Limited 2. Energy Infrastructure (India) Limited 3. Pergo India Private Limited	1. Vibhor Tracon Private Limited
Membership / Chairmanship of Committees of other Boards as on 31 March 2022	Nil	Nil	Nil
Listed entities from which the Director has resigned in the past three years	Nil	Nil	Nil

Particulars	Ms. Preeti Gandhi	Mr. Sanjeev Agarwala	Ms. Mita Namonath Jha
DIN	08552404	09342150	07258314
Date of Birth	10.04.1988	15.03.1966	01.02.1968
Age	34 years	56 years	54 years
Nationality	Indian	Indian	Indian
Qualification	Law Graduate, Premier University, Bangladesh	CA & CPA	MBA, Hull University, UK
Skills and capabilities required for the role and the manner in which the proposed Independent Director meets such requirements Experience (including expertise in specific functional area)/Brief Resume	<p>Ms. Preeti Gandhi meets the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:</p> <p>She has over 12 years of experience in advising corporate and individual clients in various sectors, including pharmaceuticals, print media, real estate, technology, media and telecom. Her expertise vests in counseling the management while balancing legal expertise and business judgment. She offers extensive advisory in general corporate and commercial matters and litigation strategy. She also holds exposure in managing various globally staged events and productions from a right perspective. In the entertainment segment, she deals with a myriad of transactions in the likes of rights optioning, deal structuring, acquisition and assignment deals, talent management, brand endorsements, synchronization deals, among others.</p>	<p>Mr. Sanjeev Agarwala meets the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:</p> <p>He is an industry veteran with over 30 years of experience. His core strengths include Hospitality, Fund raising in equity and debt capital markets, private Equity, investments, derivatives, as well as mergers and acquisitions.</p>	<p>Ms. Mita Namonath Jha meets the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:</p> <p>She has an experience of over 27 years. She is a proven leader at senior level in diverse industries vis mining &amp; metals, packaging, healthcare, financial services and steel. She specialises in, results-driven leadership with years of progressive experience leveraging legal skills and business acumen to drive business growth, minimize risk and assure compliance.</p>

# ASIAN HOTELS (NORTH) LIMITED

Terms and Conditions of Appointment / Reappointment	As disclosed in explanatory statement at item no. 6	As disclosed in explanatory statement at item no. 7	As disclosed in explanatory statement at item no. 8
Existing and Proposed Remuneration (including sitting fees, if any)	-	Rs. 4,00,000 and Will be paid sitting fee for attending meetings of the Board & Board Committees	Will be paid sitting fee for attending meetings of the Board & Board Committees
Date of first appointment on the Board	13.09.2020	04.10.2021	07.07.2022
Shareholding in the Company as on 31st March 2022	Nil	Holding 17,000 equity shares	Nil
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
Number of meetings of the Board attended during the year	7 out of 7	3 out of 3	NA
Directorships of other Boards as on 31st March 2022	Nil	Nil	1. Brady & Morris Engineering Company Limited 2. Sharp Mint Limited 3. Responsive Industries Limited 4. Balasore Alloys Limited 5. Axiom Cordages Limited.
Membership / Chairmanship of Committees of other Boards as on 31st March 2022	Nil	Nil	Brady & Morris Engineering Company Limited- Member of Audit Committee and Stakeholders Relationship Committee Balasore Alloys Limited- Member of Audit Committee and Chairperson of Stakeholders Relationship Committee Responsive industries Limited- Member of Audit Committee Axiom Cordages Limited- Member of Audit Committee
Listed entities from which the Director has resigned in the past three years	Nil	Nil	Nil

By order of the Board of  
**ASIAN HOTELS (NORTH) LIMITED**

Place: New Delhi  
Date: 9th August, 2022

Tarun Srivastava  
Company Secretary and Compliance Officer  
M. No.: 53209

# ASIAN HOTELS (NORTH) LIMITED

## DIRECTORS' REPORT

### To the Members of

### Asian Hotels (North) Limited ("The Company or AHNL")

Your Directors are pleased to submit their Forty-first (41st) Report together with the Audited Financial Statements for the financial year ended on 31st March, 2022 ("period under review").

### FINANCIAL RESULTS & THE STATE OF COMPANY'S AFFAIRS

The summary of the financial performance of the Company for the financial year ended 31st March, 2022 as compared to the previous financial year on Consolidated and Standalone Basis is as below:

(Amount Rupees in Crore)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operations (Net)	130.52	72.58	130.52	72.58
Other Income	4.09	1.87	4.25	4.68
Total Income	134.61	74.45	134.77	77.26
Profit/(Loss) before exceptional items and tax	(124.81)	(125.98)	(124.84)	(125.82)
Exceptional Items	-	569.15	328.99	569.15
Profit/(Loss) before Tax	(124.81)	(695.12)	(453.83)	(694.97)
Provision for Tax (net of write backs) including Deferred Tax Assets (Net)	-	(0.0077)	0.00	(0.0077)
Net Profit/(Loss)	(124.81)	(695.14)	(453.83)	(694.97)
Earning per share - Basic & Diluted (Rs.)	(64.16)	(357.34)	(233.29)	(357.25)

### Company's Performance

#### Standalone

Total Standalone revenue from operations for the financial year 2021-22 was higher at Rs. 130.52 crore as compared to Rs. 72.58 crore in the prior financial year, showing an increase of 79.83 % over the prior financial year.

Combined revenue from Food & Beverage including Wines & Liquor registered a significant increase of 106.63% and the room revenue increased by 66.78 % during the year under review, as compared to the prior financial year.

The pandemic landed a severe blow to the hospitality industry and AHNL is no exception. Consequently, on a standalone basis, the Total Income for this year was Rs. 134.62 crore, which was higher by 80.84% than the previous year's Total Income of Rs. 74.45 crore.

Further, the Company reported a Net Loss of Rs.124.81 crore in this year in comparison to the Net Loss of Rs. 695.14 crore for prior financial year.

#### Consolidated

Total Consolidated revenue from operations for the financial year 2021-22 was higher at Rs. 130.52 crore as compared to Rs. 72.58 crore in the prior financial year, showing an increase of 79.83% over the prior financial year.

On a consolidation basis, the Total Income for this year was Rs. 134.77 crore, which was higher by 74.43% than the previous year's Total Income of Rs. 77.26 crore.

Further, the Company reported a Net Loss of Rs.453.83 crore in this year in comparison to the Net Loss of Rs. 694.97 crore for prior financial year.

### TRANSFER TO RESERVES

No amount was transferred to the General Reserve for the year under review.

### DIVIDEND

In view of the loss suffered by the Company, your Directors are constrained not to recommend any dividend during/for the year under review.

### FINANCIAL STATEMENTS

In accordance with the provisions of Section 129 of the Companies Act, 2013 ("the Act") read with rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), your Directors have presented the standalone

# ASIAN HOTELS (NORTH) LIMITED

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financial statements of the Company and consolidated financial statements, comprising financials of the Company and its subsidiaries for the financial year 2021-22, as part of this Annual Report.

In accordance with the provisions of Section 136 of the Act, Balance sheet, statement of profit & loss, cash flow statement, statement of changes in equity and notes to accounts together with the report of Board of Directors and report of Auditors of each of the subsidiaries are open for inspection by the Members at the registered office of the Company, copies of which may be furnished, if desired by any Member. Further, these documents are also uploaded on the website of the Company.

## **MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR UNDER REVIEW TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT.**

During the major part of the year, the business of the Company was significantly impacted due to COVID-19. 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. With ease of restrictions imposed due to lockdowns the hotel started opening on various fronts expecting growth in business.

The major reasons for stress, due to outbreak of Covid -19 are:

1. Travel Restriction and Government imposed lockdowns announced on domestic as well as international travel throughout the globe.
2. Substantial decline in room occupancy level
3. Substantial decline in F & B and other support services income
4. Decline in income of restaurants
5. Increase in level of Debt due to regular interest application as fixed expenses
6. CRE activity of company also came to halt during pandemic period due to general economic slowdown 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.

Further, majority lenders have approved the One Time Restructuring (OTR), while the OTR stands implemented there is litigation with the Yes Bank Limited, wherein interim orders in favour of the Company are in operation. There are certain impediments in the OTR compliance which is being considered at the Joint lenders meeting (JLM). These factors and expected future improvement in business operations will be critical for the Company to continue as a Going Concern.

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 passed under the year under review on June 25, 2021 for initiating Corporate Insolvency Resolution Process (CIRP). Due to the uncertainty related to realization of amount from the Insolvency process the value of investment is fully impaired during the year by creation of provision for diminution in the value of the investment.

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.

Save as otherwise stated above with regard to the adverse impact caused by the COVID-19 pandemic, your Directors would like to inform that no other material changes and commitments have occurred between the end of the financial year under review and the date of this report that may adversely affect the financial position of the Company.

### **Shopping Arcade**

In a significant decision, your Directors in their meeting held on 23rd May, 2020 decided to revoke all existing license agreements in respect of the shops in Hotel Hyatt Regency's shopping arcade.

In pursuance of the aforesaid decision, revocation notices were issued to all the licensees and thereafter they moved to the Delhi High Court. The status quo of the litigation initiated by the licensees with regard to Shopping Arcade area continued the same.

The Company had filed SLP against the Hon'ble High Court Order towards the judgment on including Banks as party to the case. The matter was heard and favorable judgment was received, whereby, the Hon'ble Supreme Court of India excluded banks (being lenders) as a necessary party to the case.

### **Restructuring Plan**

As mentioned above, in the wake of the prevailing Covid-19 situation, performance of the Company has been impacted substantially, which has resulted in cash flow constraints.

# ASIAN HOTELS (NORTH) LIMITED

Based on the recommendation of the Audit committee, the Board of Directors of the Company in its meeting held on 12th November 2020, considered, and approved the submission of draft restructuring plan to its bankers.

The company filled application regarding OTR of its credit facilities with all the lenders, subsequently invocation of OTR was done on 09th Dec 2020 and Inter creditor agreement was signed on 23rd December 2020 by all the lenders.

Bank of Maharashtra, being the Lead Bank has completed requisite formalities and circulated to all the lenders through e mails, respective lenders had approached their sanctioning authority and given the decisions which are summarised as below.

(Amount Rupees in Crores)

S. No.	Name of Bank	Sanctioned Amount	Outstanding Amount on 01.03.2020	%of shares in total O/S loan	Status of decision	Majority by value	%
1	Punjab National Bank	146.2	140.04	21%	Sanctioned	140.04	21%
2	Yes Bank-I	55	43.94	27%	Sanctioned	181.55	27%
	Yes Bank-II	125	104.61				
	Yes Bank-OD Limit	33	33				
3	IndusInd Bank	100	95.71	15%	Sanction not received		
4	Bank of Maharashtra-I	197.75	192.8	35%	Sanctioned	235.34	35%
	Bank of Maharashtra-II	43.66	42.54				
5	Axis Bank OD limit	13	13	2%	Sanctioned		2%
	Grand Total	717.61	669.64	100%			
Calculation of Majority Decision of all lenders who has signed ICA							
3	60% In Number	75% in value	502.23			556.93	85%

Lead Banker "Bank of Maharashtra had issued the letter ref no AT14/AHNL/2021-22/433 dated 7th June 2021 by which they have intimated the Company and other lenders of consortium regarding the approval of onetime restructuring of credit facilities availed by the Company.

With reference to the above, your Directors are pleased to announce that Our One-time restructuring plan have been approved and implemented by the consortium of Bankers, and the same has been updated by the Company in its Board meeting held on 5th July 2021.

In addition to the above, the Company had also filed for the extension in SCOD/restructuring for its subsidiary Leading Hotels Ltd to Yes Bank where the bank has declined the extension to Leading Hotels Limited.

There are certain impediments in the OTR compliance which is being considered at the Joint lenders meeting (JLM). These factors and expected future improvement in business operations will be critical for the Company to continue as a Going Concern.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review or between the end of that financial year and the date of this report, no significant or material orders were passed by the Regulators or Courts or Tribunals which may impact the going concern status and future operations of the Company.

## FOREIGN EXCHANGE RECEIPTS

The Company's earnings in foreign exchange for the year under review amounted to Rs. 16.04 crore as compared to Rs. 10.32 crore during the prior financial year.

## CAPITAL STRUCTURE

The Authorised Share Capital of the Company is Rs. 70,00,00,000 (Rupees Seventy Crores Only) divided into 4,00,00,000 equity shares of Rs. 10 each and 3,00,00,000 preference shares of Rs. 10 each. The Issued/ Subscribed and Paid up share capital of the Company, as on 31st March, 2022, was Rs. 19,45,32,290 divided into 1,94,53,229 equity shares of Rs. 10 each.

There is no change in the Company's capital structure since the last report.

During the year under review, the Company has neither issued equity shares with differential rights as to dividend, voting or otherwise, nor has it issued shares to its employees under any scheme (including sweat equity shares). The Company does not have any outstanding warrants/depository receipts/other convertible securities as on 31st March, 2022 or the date of this report.

The shares are actively traded on BSE and NSE and have not been suspended from trading.

## UN-CLAIMED SHARES

In terms of Para F of Schedule V to the Listing Regulations, the details of Un-claimed Shares are as under:



# ASIAN HOTELS (NORTH) LIMITED

Particulars	No. of folios wherein shares are marked as un-claimed	No. of shares marked as un-claimed
Status of un-claimed shares at the beginning of the year i.e. 1st April, 2021	0	0
Add: No. of claims received during the year	0	0
Less: Number of shares in respect of which dividend entitlements remained unclaimed for seven consecutive years and transferred from the Unclaimed Suspense Account to the IEPF	0	0
<b>Balance un-claimed shares as at 31.03.2022</b>	<b>0</b>	<b>0</b>

During the year under review, 19786 equity shares, held by 365 beneficial owners/shareholders of the Company, in respect of which dividend for the relevant financial year ended 31st March, 2014, remained unpaid/unclaimed consecutively for a period of seven years up-to 31st October, 2021, were transferred to IEPF Authority in accordance with Section 124(6) of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended or re-stated from time to time.

## PROMOTERS

The Company was promoted by the Jatia Group, comprising inter-alia, Mr. Shiv Kumar Jatia, Mr. Amrithesh Jatia and in turn the companies held by them namely Finline Holdings Ltd., Mauritius, Yans Enterprises (H.K.) Ltd., Mauritius and Asian Holdings Pvt. Ltd. Such persons directly or indirectly own and control various operating companies of the Jatia Group viz. Asian Hotels (North) Limited and Leading Hotels Limited. All the said constituents singularly and collectively, including the operating companies comprise the Jatia Group. Some of the said constituents exercise control over the Company as directors and/or shareholders.

During the year under review, changes occurred in shareholding of the promoters and promoter group due to invocation of pledge of shares\*. Consequently shareholding of the promoters and promoter group came down to 50.69% from 57.91% of the total paid-up capital as on 31st March, 2022.

\* YES Bank Limited ("Bank") invoked the pledge pertaining to 5,85,064 equity shares on 11th November, 2021 held by Asian Holdings Private Limited (Promoter Entity). The Promoter entity has filed a case in the Hon'ble High Court of Delhi against the Bank for illegal revocation of said shares held by the Bank and the Hon'ble High Court of Delhi has granted a stay order in the matter and asked both the Promoter Entity and Bank to maintain status quo.

Presently, the promoters and promoter group stake stands at 50.69% of the total paid-up capital.

## SUBSIDIARIES

Your Company holds 100% equity as well as preference capital in Finline Hospitality and Consultancy Pte. Ltd., Mauritius (FHCPL). FHCPL holds 80% equity stake in Lexon Hotel Ventures Ltd., Mauritius (Lexon), and Lexon in turn holds 99.76% equity stake in Leading Hotels Limited (Leading), an Indian subsidiary.

Thus, FHCPL has 79.81% economic interest in Leading.

Based on the financial statements for the year ended 31st March, 2022, of the above named subsidiaries and the consolidated financial statements of the Company for the year ended as on that date, each one of FHCPL, Lexon and Leading are material subsidiaries of the Company.

Further your Directors may inform you that the subsidiary Leading is under Corporate Insolvency Resolution Process ("CIRP"), Insolvency Proceedings was initiated on the Subsidiary Company, vide order dated 25th June 2021 issued under Section 7 of the Insolvency & Bankruptcy Code 2016, read with rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016. The CIRP process is heading towards completion.

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

## Performance and financial position of the subsidiaries

For performance and financial position of individual subsidiaries, the members may refer to the Statement containing salient features of the financial statements of Company's subsidiaries in Form AOC-1 pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2015, annexed to the financial statements.

## STATUTORY AUDITORS & THEIR REPORT

M/s. V.V. Kale & Company, Chartered Accountants (Firm Registration Number: 000897N), were appointed as the statutory auditors of the Company in the 39th Annual General Meeting to hold office from the conclusion of that meeting till the conclusion of the 44th Annual General Meeting of the Company.

The Statutory Auditors' Report for FY 2021-22 is self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer, the same forms part of this Annual Report.

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

# ASIAN HOTELS (NORTH) LIMITED

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## INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

In the opinion of the Statutory Auditors of the Company, as expressed by them in their report, the Company has adequate internal financial control systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022.

## INTERNAL AUDITORS

During the year under review, M/s. Virendra & Associates, Chartered Accountants, New Delhi, the internal auditors of the Company conducted periodic audits of the Company. The Audit Committee reviews the detailed Internal Audit reports submitted by the Internal Auditors and takes note of the actions taken on the observations and recommendations made by them.

Your Directors are confident that there are adequate internal financial control systems and procedures which are being followed and complied with.

The Company has re-appointed M/s. S Virendra & Associates, Chartered Accountants Internal Auditors for the financial year 2022-23.

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

## SECRETARIAL AUDITORS & THEIR REPORT

M/s. Chandrasekaran Associates, Company Secretaries, the Secretarial Auditors of the Company, have submitted their report for the financial year ended on 31st March, 2022 which is annexed as **Annexure 'A'** and forms part of this Report.

Secretarial Auditors in their Report dated 9th August, 2022, has expressed qualified opinion in respect of the following points and the management reply are mentioned below correspondence to that points:

- Under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the following intimation shall be made to stock exchange within 24 hours of such change, however, the same has been made beyond 24 hours:
  - Mr. Dinesh Kumar Jain, Vice President (Corporate Affairs) & Company Secretary, resigned from the services of the Company w.e.f. 08.06.2021. The Company has made intimation to Stock Exchange beyond the prescribed time.
  - At time of submission of stock exchange intimation for appointment of Dr. Rajeev Uberoi as Director, the required affirmation regarding non-debarment of Dr. Uberoi from holding the office of Director by virtue of any order of SEBI or any other such authority was not included in terms of extant directions issued by BSE Limited and the National Stock Exchange of India Limited. However, the Company has submitted such affirmation with revised disclosure after 2 days of board meeting.
  - The Company has not intimated to the stock exchanges with respect to the divestment of its entire investment held in Sandhya Hydro Power Projects Balargha Private Limited.
  - The Company has not intimated the change in credit rating to RP & RP-4 to the stock exchanges.
  - The Stock exchange intimation for revision in credit rating does not contain the reasons provided by the rating agency for such downward revision. However as confirmed by the Company, the Company had an RP Rating and therefore the Company had already requested Credit Rating Agency should withdraw the rating as per the Company's communication dated 24th December, 2021, since the credit rating was not asked by the Company and accordingly, as confirmed by the company, it was not required to be filed with the stock exchanges.
  - Outcome of the meeting including the financial results for the Quarter ended 31st March, 2021 were intimated beyond the prescribed time to the Stock exchanges. The Company has received a letter from BSE and NSE dated 14.07.2021 regarding the same.

*Management Reply: In pursuant to the above opinions, the delay in filings and fragmentary information disclosed to the stock exchanges were majorly due to disruption in business operation of the Company due to widespread of COVID-19 and subsequent lockdowns. Company will ensure that no such occurrence incur in the future.*

- Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements), 2015 read with circular issued therein, the Company has submitted the Audited Financial Results for FY 2020-21 and the Statement of Impact of Audit Qualification and declaration regarding qualifications in the Auditors' Report. However, the Company has not included the Comments of the Auditors with regard to the Management's view on qualification made by the Auditors.

*Management Reply: In pursuant to the above opinions, the Company emphasize that the said instance is an odd occurrence under difficult circumstances and that the Company being a law-abiding corporate citizen would ensure that no such instance occurs in the future.*

- The Audited financial results for the year ended 31st March, 2021 were due to be submitted to the stock exchanges on 30.06.2021 considering the relaxation provided by SEBI. The Board has approved the Audited financial results on 05th July, 2021 and submitted thereafter. The Company has received show cause notice from both the Stock Exchanges i.e. National Stock Exchange of India

# ASIAN HOTELS (NORTH) LIMITED

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Ltd. and BSE Ltd., imposing penalty of Rs. 29,500/- each for the late submission of the Audited Financial Results for the year ended 31st March, 2021.

Management Reply: *In pursuant to the above opinions, the Board approved the Audited Financial Results on 05th July, 2021 and submitted to the Stock exchange on the same day, however the extended date for submission of the Audited Financial Results as on 31.03.2021 was 30.06.2021. Company will ensure that no such occurrence incur in the future.*

4. As per the provisions of Section 179 of the Companies Act, 2013 and Secretarial Standards-1 issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs, Borrowing money otherwise than by issue of debentures shall not be passed via Circular Resolution, however Company has passed Circular Resolution for the same.

Management Reply: *In pursuant to the above opinions, the Company emphasize that the said instance is an odd occurrence under difficult circumstances and that the Company being a law-abiding corporate citizen would ensure that no such instance occurs in the future.*

5. Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has received a letter from NSE dated 14th July, 2021 regarding non-signing of Statement on Impact of Audit Qualifications by Chief Financial Officer. The Company vide its communication dated 15th July, 2021 submitted to the NSE that during that period, there was no Chief Financial officer of the Company and therefore, the same could not be signed by Chief Financial Officer. As confirmed by the management, no further communication received from NSE in that respect.

Management Reply: *In pursuant to the above opinions, the Company submitted to the NSE in its Communication dated 15th July, 2021 that during the said period, there was no Chief Financial officer to sign the Statement on Impact of Audit Qualifications, post such submission no further communication received from the NSE.*

6. The Company has received advisory letters from BSE and NSE vide their communication dated 23rd November, 2021 under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the irregularities observed with respect to the disclosures filed by the Company on 06th July, 2021 pertaining to "One-time Restructuring of debts with banks" and "Corporate Insolvency Resolution Process for Leading Hotels Limited, the material subsidiary of the Company. The said letter was noted by the Board with directions to exercise adequate due diligence regarding disclosure made on material events/incidents in compliance with the said regulations in true letter and spirit.

Management Reply: *In pursuant to the above opinions, the said letter was noted by the Board with Directions to exercise adequate due diligence regarding disclosure made on material events/incidents in compliance with the said regulations in true letter and spirit and in regards to same Company is regularly complying with the requirement of the intimations to the Stock Exchanges.*

Further, no frauds have been reported under Section 143(12) of the Act by the Secretarial Auditors of the Company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

In terms of the provisions of the Act and Articles of Association of the Company, Mr. Akhilesh Bhuwarka (DIN: 02764273) retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

Your Directors recommend approving the resolution at Item No. 2 of the accompanying Notice as an Ordinary Resolution.

During the year under review Mr. Shiv Kumar Jatia, Chairman and Managing director (DIN: 00006187) resigned from the office of Director of the Company with effect from 21st October, 2021 and in view of the "Plans for Orderly Succession for appointments" of the Company, Mr. Amrutesh Jatia, being the other Promoter Director ought to be the natural successor to him was appointed as Managing Director of the Company by the Board in its meeting held on 23rd October, 2021, subject to the requisite approvals of the shareholders.

Based on the notice received from a shareholder under Section 160 of the Act, and recommendations of the Nomination and Remuneration Committee in its meeting held on 9th August, 2022, the Board proposes to appoint Mr. Amrutesh Jatia as Managing Director subject to approval of shareholders at the ensuing annual general meeting in pursuance of Sections 196, 197, 203 and other applicable provisions of the Act read with rules made thereunder, and therefore, has included an appropriate resolution for his appointment, as proposed at Item No. 3 of the accompanying Notice for the ensuing Annual General Meeting.

The Board after considering the recommendations of the Nomination and Remuneration Committee, appointed Mr. Ashish Dhanuka as an Additional Director under Section 161(1) of the Act, in the capacity of Whole Time Director designated as an Executive Director and Chief Financial Officer of the Company in its meeting held on 23rd October, 2021.

Based on the notice received from a shareholder under Section 160 of the Act, and recommendations of the Nomination and Remuneration Committee in its meeting held on 9th August, 2022, the Board proposes to appoint Mr. Ashish Dhanuka as Whole Time Director designated as an Executive Director and Chief Financial Officer of the Company respectively subject to approval of shareholders at the ensuing annual general meeting in pursuance of Sections 152, 196, 197 and other applicable provisions of the Act read with rules made thereunder and schedule V of the Act, and therefore, has included an appropriate resolution for his appointment, as proposed at Item No. 4 and 5 of the accompanying Notice for the ensuing Annual General Meeting.

The term of Ms. Preeti Gandhi, Non-Executive Independent Woman Director is expiring on 12th September, 2022 and based on the notice received from a shareholder under Section 160 of the Act, and recommendations of the Nomination and Remuneration Committee in its meeting held on 9th August, 2022, the Board proposes to re-appoint her as an Independent Non- Executive Director subject to approval of shareholders at the ensuing annual general meeting in pursuance of Sections 149, 152 and other applicable provisions of the Act read with rules made thereunder. The Board is of the opinion that Ms. Gandhi fulfills the conditions specified in the Listing Regulations and the Act and

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is independent of the Management and that she possesses integrity, expertise and experience required for discharging the responsibilities of an Independent Director, and therefore, has included an appropriate resolution for her appointment, as proposed at Item No. 6 of the accompanying Notice for the ensuing Annual General Meeting.

Further, considering the recommendations of the Nomination and Remuneration Committee, the Board vide circular resolution no. 9/2021-22 dated 4th October, 2021 and 2/2022-23 dated 7th July, 2022, appointed Mr. Sanjeev Agarwala and Ms. Mita Namonath Jha respectively as an Additional Directors under Section 161(1) of the Act, in the capacity of an Independent Non- Executive Directors of the Company.

Based on the notice received from a shareholder under Section 160 of the Act, and recommendations of the Nomination and Remuneration Committee in its meeting held on 9th August, 2022, the Board proposes to appoint them as an Independent Non- Executive Directors subject to approval of shareholders at the ensuing annual general meeting in pursuance of Sections 149, 152 and other applicable provisions of the Act read with rules made thereunder. The Board is of the opinion that both Mr. Sanjeev Agarwala and Ms. Mita Namonath Jha fulfills the conditions specified in the Listing Regulations and the Act and is independent from the Management and that they possesses integrity, expertise and experience required for discharging their responsibilities of Independent Director, and therefore, has included an appropriate resolution for their appointment, as proposed at Item No. 7 and 8 of the accompanying Notice for the ensuing Annual General Meeting.

Your Directors recommend approving the resolutions at Item No. 2, 3, 4, 5, 6, 7 and 8 of the accompanying Notice of the Annual General Meeting of the Company.

The above proposals have been duly approved and consented to by the Nomination and Remuneration Committee and the Board of Directors of the Company.

During the year under review, Due to his pre-occupation Mr. Dinesh Chandra Kothari, (DIN: 00195609), Non-Executive Independent Director resigned from the office of Directors of the Company with effect from 10th August, 2021.

During the year under review, Due to personal reason, age factor and professional commitments Dr. Lalit Bhasin (DIN: 00001607), Non-Executive Independent Director resigned from the office of Directors of the Company respectively with effect from 8th November, 2021.

During the year under review, Mr. Rajeev Uberoi (DIN: 01731829) appointed as a Non-Executive Independent Director of the Company w.e.f. 11th August, 2021. Further due to professional pre-occupation he resigned from the office of Director of the Company effective from 10th April, 2022.

In the opinion of the Board of Directors of the Company, all the Independent Non-Executive Directors as on 31st March, 2022, namely Mr. Sanjeev Agarwala, Dr. Rajeev Uberoi, and Ms. Preeti Gandhi, fulfilled the conditions specified in the Listing Regulations and the Act and were independent from the Management during the year and continued to be independent during their tenure subsequent to the year.

All the Directors of the Company have also given declarations affirming that they are not debarred from holding the office of Director by virtue of any order of SEBI or other such statutory authority as required under the Circular dated 20th June, 2018 issued by BSE Limited and National Stock Exchange of India Limited.

Neither the Managing Director nor the Whole-time Director of the Company receives any remuneration or commission from any of the Company's subsidiaries.

Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee during the period under review, Mr. Ashish Dhanuka, designated as Manager (Accounts), was appointed as the Chief Financial Officer of the Company with effect from 24th July, 2021.

During the year under review Mr. Dinesh Kumar Jain, Vice-President (Corporate Affairs) & Company Secretary resigned from the Company with effect from 8th June, 2021.

Based on the recommendations of the Nomination and Remuneration Committee during the period under review, Ms. Saumya Goel, was appointed as the Company Secretary & Compliance Officer of the Company with effect from 11th August, 2021. Further she resigned from the said office with effect from 20th May, 2022.

## **DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134(5) OF THE COMPANIES ACT, 2013**

Pursuant to Section 134(5) of the Act, your Directors confirm as under:

- that in the preparation of the annual accounts for the year ended 31st March, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the loss of the Company for that year;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts for the Financial year ended 31st March, 2022 on a going concern basis;
- that the Directors have laid down internal financial controls that are being followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Significant accounting policies followed by the Company, and the required disclosures are detailed in the Notes to the Financial Statements. Further, applicable Ind AS and related presentation and disclosure norms have been complied with.

## **INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The information required in terms of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, pertaining to the conservation of energy, technology absorption and foreign exchange earnings and outgo, to the extent possible in the opinion of your Directors, and forming part of this Report, is given in **Annexure 'B'**.

## **PARTICULARS OF EMPLOYEES & DISCLOSURES UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The information pursuant to Section 197(12) of the Act, read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of directors, key managerial personnel and employees of the Company is given in **Annexure 'C'** and **Annexure 'D'** respectively, and forms part of this Report.

## **CORPORATE GOVERNANCE**

Save as otherwise stated above, the Company has complied with the requirements of corporate governance as stipulated in the Listing Regulations.

Pursuant to the provisions of the Listing Regulations, the Corporate Governance Report, together with the Auditors' Certificate thereon, is annexed hereto as **Annexure 'E'** and **Annexure 'F'** respectively.

## **CORPORATE SOCIAL RESPONSIBILITY**

Due to heavy losses incurred by the Company since FY 2014-15, the Company was not obliged to make any contribution towards CSR activities from the financial years 2014-15 to 2021-22 as per Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the year, Board at its meeting held on 11th August, 2021 and 23rd October, 2021 re-constituted the CSR committee. However, as the Company was not obligated towards CSR contribution, the constitution of CSR Committee is not applicable to the Company and therefore the Board of Directors dissolved the Corporate Social Responsibility Committee (CSR Committee) in its meeting held on 28th May, 2022.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure 'G'** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms part of this report. The CSR policy is available on [http://www.asianhotelsnorth.com/pdf/CSR\\_Policy\\_effective\\_01.04.2021.pdf](http://www.asianhotelsnorth.com/pdf/CSR_Policy_effective_01.04.2021.pdf)

## **RISK MANAGEMENT**

The Board of Directors in its meeting held on 11th August, 2021 placed and approved and implemented the Risk Management Policy, pursuant to the provisions of Section 134 of the Companies Act, 2013 to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance Company's competitive advantage. In your company, risks are carefully mapped and a risk management framework is involved. The Company is faced with different types of risks, each of such risks requires different approaches for mitigation. The Risk Management Policy lays down the process for identification and mitigation of risks. The policy is available on the website of the Company and can be assessed at [http://www.asianhotelsnorth.com/pdf/RiskManagementPolicy11082011\\_8Sep2021.pdf](http://www.asianhotelsnorth.com/pdf/RiskManagementPolicy11082011_8Sep2021.pdf)

Further, based on the market capitalization of the Company, the provisions relating to the formation of a Risk Management Committee is not applicable to the Company.

## **MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review, seven (7) Board meetings were held, details of which are given in the Corporate Governance Report annexed to this Report as **Annexure 'E'**.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company has established a vigil mechanism and the Board of Directors of the Company had approved and adopted a 'Whistle Blower Policy' which is uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/WhistleBlowerPolicyeffective01042019.pdf>

The 'Whistle Blower Policy' provides that all employees and directors of the Company are eligible to make protected disclosures to the competent authority i.e. the Chairman of the Audit Committee with respect to any improper activity concerning the Company. The policy provides for direct access to the Chairman of the Audit Committee. The mechanism provides for adequate safeguards against victimization of employees and directors to avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.



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During the year under review, neither any case was reported under the Whistle Blower Policy nor was anyone denied access to the said competent authority or the Audit Committee.

## ANNUAL RETURN

In terms of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company is available on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/annual-returns.html>

The aforesaid Annual Return will be filed with the Ministry of Corporate Affairs post annual general meeting, within the prescribed timelines in prescribed form MGT-7 (including form MGT-8). Thereafter, the final Form MGT-7 and Form MGT-8 would be uploaded on the Company's website at the above mentioned link.

## BOARD EVALUATION

The Board followed the following mechanism for evaluating the performance of the Board, its Committees and individual directors including the Chairman and independent Directors of the Company:

- a. the Independent Directors through their exclusive meeting evaluate the performance of Non- Independent Directors, the Chairman and the Board as a whole;
- b. the Nomination and Remuneration Committee considers the views of the Independent Directors through their exclusive meeting regarding the performance of Non-Independent Directors and based there-upon makes its recommendations to the Board about their performance;
- c. the Nomination and Remuneration Committee evaluates the performance of Independent Directors and makes its recommendations to the Board about their performance; and
- d. the Board finally evaluates the performance of all individual directors, the Chairman, the Board as a whole and Committees thereof. While evaluating the performance of the Board, it considers the views of the Independent Directors through their exclusive meeting.

The Board of Directors of the Company has in place an evaluation criteria for assessment of its own performance, that of the committees of the Board and the individual directors. Leadership abilities, understanding the business dynamics, strategic planning for sustainable growth and protection of minority shareholders' interest, are the essential criteria of the performance evaluation of the Directors.

The Board in its meeting held on 28th May, 2022, has discussed its overall performance on the parameters as laid down in the Nomination, Remuneration and Evaluation Policy and concluded that the Board and its Committees have been performing satisfactorily. Further, based on the aforesaid policy, and the feedback received from fellow directors, the Board also evaluated the performance of the individual directors (including the Chairman) and found it satisfactory.

There was no action required to be taken during the year under review based on the previous year's observations on the Board Evaluation. Further, no action is proposed to be taken based on the observations on the Board Evaluation for the year under review.

The details of the evaluation criteria are enumerated in the Nomination, Remuneration and Evaluation Policy which can be accessed at: <http://www.asianhotelsnorth.com/pdf/NominationRemunerationandEvaluationPolicyeffective01042019.pdf>

## DECLARATION BY INDEPENDENT DIRECTORS

During the year under review, all the Independent Non-executive Directors have confirmed and submitted declaration to the effect that they meet the criteria of independence as laid down under Section 149 and 150 of the Act read with rules framed thereunder and other applicable provisions of the Act read with relevant regulations of the Listing Regulations. Independent Non-Executive Directors have also submitted declarations for the financial year 2021-22 confirming that they continue to meet the criteria of independence as laid down under aforesaid provisions.

Further, they have confirmed that they have obtained registration with the Indian Institute of Corporate Affairs as an Independent Director and such registration continues to be valid; and that they shall ensure renewal of such registration within a period of thirty days from the date of its expiry, as applicable; and that they shall pass the Online Proficiency Self-Assessment Test conducted by the abovenamed institute within a period of two years from the date of inclusion of their respective names in the databank, if applicable, in pursuance of Section 150 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019.

Further, in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Reliance was placed on these confirmations/declarations while ascertaining the adequacy of number of independent directors for the purposes of compliance with Regulation 17 and other applicable regulations of the Listing Regulations.

All the Independent Directors have also confirmed that they have complied with the Company's code of conduct. In the opinion of the Board, all the independent non-executive directors fulfill the conditions specified under Section 149 of the Act and the Listing Regulations, as amended, and that they are independent of the management. The Board also recommends their continued association with the Company as an independent directors.

In the opinion of the Board of Directors of the Company, all Independent Directors of the Company possess requisite expertise and



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experience (including the proficiency) and are the person of high integrity and repute as prescribed under the Companies (Appointment and Disqualification of Directors) Rules, 2014 read with the Companies (Accounts) Rules, 2014 (including amendment thereof).

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts, arrangements or transactions entered in to by the Company during the financial year 2021-22, were in the ordinary course of business and were at an arm's length basis. Relevant Related Party Disclosures under the provisions of the Act and the Listing Regulations, as applicable, are provided in the Note no. 41 to the stand-alone financial statements.

For all foreseeable repetitive related party transactions, prior omnibus approval of the Audit Committee is obtained as per applicable laws, on yearly basis, considering that such approval is in the interest of the Company.

During the year under review, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material in accordance with the Company's policy on materiality of related party transactions read with the provisions of the Listing Regulations. Accordingly, there are no transactions which are required to be reported in Form AOC-2 in pursuance of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Policy on the related party transactions is available on the Company's website at <http://www.asianhotelsnorth.com/pdf/FY2223/Policy%20for%20Related%20Party%20Transactions%20as%20on%2001.04.2022.pdf>

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act, as applicable, are provided in the Note nos. 5, 18 and 21 to the stand-alone financial statements.

## **NOMINATION, REMUNERATION AND EVALUATION POLICY**

The roles, responsibilities, powers and terms of reference of the Nomination and Remuneration Committee were in conformity with Section 178 of the Act and Rules made there-under, and Regulation 19 of the Listing Regulations and relevant Schedule thereto, as amended or re-stated from time to time, during the year under review. Moreover, the Board of Directors has ensured that the said policy enumerates the criteria laid down for nomination/selection, appointment, evaluation and remuneration of the directors and key managerial personnel; and determines qualifications, positive attributes and independence of directors and/or key managerial personnel, and is uploaded on the website of the Company at <http://www.asianhotelsnorth.com/pdf/NominationRemunerationandEvaluationPolicyeffective01042019.pdf>

The salient features of the said policy are as under:

- a) Role of the Nomination and Remuneration Committee
  - Ensure diversity of Board;
  - Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board their appointment;
  - Identify persons who are qualified to become Directors and/or Senior Management Personnel (SMP) and recommend to the Board their appointment;
  - Recommend to the Board a remuneration policy for the directors, key managerial/senior management personnel; and
  - Specify the manner for effective evaluation of performance of the Board, its committees and each category of directors
- b) Appointment of Directors/KMPs/SMPs as per criteria set-out in the Nomination, Remuneration and Evaluation Policy
- c) Guiding principles for quantum and composition of remuneration, remuneration structure for whole-time directors and non-executive directors
- d) Criteria for evaluation of performance of whole-time directors, non-executive directors and independent non-executive directors

## **COMMITTEES OF THE BOARD**

The Company has the following committees, which have been established as a part of the corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

The details with respect to the compositions, powers, roles, terms of reference and number of meetings held during the year of relevant committees are given in detail in the Corporate Governance Report of the Company, which forms part of this Boards' Report

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## **CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there has been no change in the nature of business of the Company.

## **DEPOSITS**

During the year under review, the Company has not invited or accepted deposits covered under section 73 of the Companies Act 2013 and the Rules made thereunder. Further, no amount of principal or interest are outstanding at the end of financial year 2021-22.

## **LISTING ON STOCK EXCHANGES**

The equity shares of the Company are listed on The National Stock Exchange of India Limited and BSE Limited. Further, your Directors would like to inform that the Company has paid up to date Annual Listing Fees to the respective Stock Exchanges.

## **SECRETARIAL STANDARDS**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## **MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Companies Act, 2013.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Para B of Schedule V to the Listing Regulations, the Management Discussion and Analysis Report is given below:

### **INDUSTRY STRUCTURE & DEVELOPMENTS AND OPPORTUNITIES & OUTLOOK**

The restrictions imposed by the pandemic in previous year also had repercussions on the current financial year. During the year under review the economic activities slowed down.

India implemented a stringent lockdown from April to May of the year 2021-22 to curb the pace of spread of second wave of COVID-19. With the economy brought to a standstill for two complete months, the inevitable effect was a 7.3 % contraction in GDP during 2021 due to the stringent lockdown imposed during April-May, 2021. The economy was gradually unlocked since June, 2021 and has experienced a V-shaped recovery since then.

The contact intensive services sector was severely impacted, particularly sub-sectors such as tourism, aviation, and hospitality. The hospitality sector is linked to the tourism sector. The sector that employs millions of Indians started bouncing back after the first wave, but the second wave of covid was back for the devastation. The tourism sector contributes nearly 7% to India's annual GDP, the restrictions due to the second wave have crippled the tourism sector, which was already struggling to recover from the initial loss suffered by the businesses in 2020.

The rich and varied culture of India makes it a major travel destination for many international tourists. However, 2021 turned out to be one of the worst years for the country's travel and hospitality sector as a result of the pandemic. Travel restrictions imposed by the Indian government and fears associated with COVID-19 compelled travellers to cancel their business trips, conferences and leisure travels both domestic and international. Summer holiday bookings to destinations within India were cancelled. Most international and domestic flights remained suspended.

With the travel restrictions and limited international travel, the Indian tourism and hospitality industry is expected to see more of domestic travel and staycations in near future. To boost the sector, travel and hospitality industry has come up with new policies and concepts that prioritise health and hygiene. "Digital" is the new way forward for the industry as many hotels are adopting contactless methods for check-ins, check-outs and payments.

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Another factor is India's emergence as a destination to avail world class medical facilities at competitive cost.

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

The major threat to the tourism and travel industry is the widespread of COVID-19. Travel restrictions owing to pandemic continue to impact hospitality, travel and tourism sectors within India and around the world. The Indian hospitality industry is undoubtedly one of the biggest casualties of the COVID-19 outbreak as demand has declined to an all-time low. Global travel advisories, suspension of Visas coupled with decline in International tourists even after relaxation in lockdown guidelines has impacted the business of the Company.

Another challenge to the organized hotel industry is the increasing availability of rooms, and guest preference for the serviced apartments for short-term or long-term stay, providing larger rooms and more space with all the luxuries of a premium hotel at a far more competitive rate.

Increased competition in the last few years has eroded the market share of the Company's hotel thus impacting the occupancy levels and room rates. One of the most critical developments shaking up the hospitality industry is the growth of the sharing economy. Airbnb who paved the way in the accommodations sector of the hospitality industry has increased competition and no longer is the only player.

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Talent management is a major challenge for the hospitality sector. Inadequate supply of quality talent and increased competition for talent within the sector and from competing service sectors has made attrition a significant issue to be dealt with.

## COMPANY'S STRATEGY FOR SUSTAINED GROWTH IN MEDIUM TO LONG TERM

For the sustained growth of an organization, it is imperative that the Company keeps exploring newer opportunities of growth either through expansion or venturing into new projects. In its endeavor for sustained growth, the Board of Directors of the Company is contemplating how to best utilize the additional FAR (Floor Area Ratio) of approx. 30,000 sq. meters which is available to the Company in respect of land where hotel Hyatt Regency Delhi is situated, subject to payment of requisite charges to the authorities concerned.

## REVIEW OF OPERATIONAL AND FINANCIAL PERFORMANCE

The Company achieved aggregate revenue of Rs. 130.52 crore from operations for the year ended 31st March, 2022. The said revenue in the prior year was Rs. 72.58 crore. Detailed discussions are given under 'Financial Results & the State of Company's Affairs' herein-above.

## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Key financial ratios for the year under review vis-à-vis prior year are as under:

S.No.	Key Financial Ratio	FY 2021-22	FY 2020-21
i	Operating Profit Margin (%)	4.60	(27.52)
ii	Net Profit Margin (%)	(92.72)	(933.70)
iii	Debtors Turnover	10.64	5.50
iv	Inventory Turnover	23.31	9.22
v	Current Ratio	0.07	0.08
vi	Debt Equity Ratio	4.32	2.58
vii	Interest Coverage Ratio	(0.14)	(0.38)
viii	Return on Net Worth (%)	(50.50)	(187.10)

Remarks for change in ratio by more than 25% with respect to previous year:-

### Operating Profit Margin Ratio

Ratio has become more favourable in the financial year 2021-22 as compared to previous financial year 2020-21 as there is improvement in the business due to reduced impact of COVID-19 related restrictions.

### Net Profit Margin Ratio

Ratio is adverse due to losses incurred by company. There is improvement in ratio as company has made operational profit during the year & unlike previous year there is no exceptional item during the current year.

### Inventory Turnover and Debtors Turnover Ratio

Ratio has become more favourable in the financial year 2021-22 as compared to previous financial year 2020-21 because of the COVID-19 pandemic operations of hotels & restaurants were closed for substantial period during previous year which resulted in ineffective utilization of inventory & non receipt of dues from corporate clients.

### Debt Equity Ratio

Ratio is adverse because of continues increase in Debts (due to capitalization of interest & creation of FITL).

### Interest Coverage Ratio

Ratio is adverse as company unable to generate enough cash to service its outstanding Debts. There is negligible improvement in ratio due to partial recovery in the business considering the reduced impact of COVID-19 restrictions during the year.

### Return on Net-Worth Ratio

Ratio has become more favorable in the financial year 2021-22 as compared to previous financial year 2020-21 due to:

- i) Reduction in losses as there are no exceptional items during the current year unlike previous year.
- ii) Improvement in profitability due to reduced COVID - 19 related restrictions.
- iii) Net-worth is still negative due to continuous losses incurred by the Company.

## SEGMENT WISE PERFORMANCE

During the year under review, your Company operated an integrated hotel business at only one location i.e. New Delhi. Power generation, the other business segment being pursued by the Company is governed by a different set of risks and returns. Your Company had two

# ASIAN HOTELS (NORTH) LIMITED

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Wind Turbine Generators operating in Maharashtra, but the quantum of assets as well as revenue generated was not significant enough for reporting in terms of the applicable Accounting Standard.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has standard operating procedures for each operational area. It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. As detailed above, the Internal Auditors have regularly conducted exhaustive audits pertaining to different operational areas and their reports detailing their findings and observations were periodically placed before the Audit Committee. The Audit Committee also takes status of the actions taken on the observations of and recommendations made by the Internal Auditors.

The Company has in place adequate internal controls and systems and these are operating effectively.

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

An organization's success depends largely on its human resources, its management and good industrial relations. Your Company has always viewed human resource development as a critical activity for achieving its business goals. The Company has maintained cordial industrial relations during the year, and continued to provide comprehensive welfare facilities to its employees to take care of their health, efficiency, economic betterment, etc. and to enable them to give their best at the workplace. It has always supported participative culture in the management of the enterprise through a consultative approach with the collectives, establishing a harmonious relationship for industrial peace leading to higher productivity. Employees' participation is also ensured through information-sharing with collectives and employees on a regular basis while seeking their support, suggestions and cooperation.

The Company has in place a Policy against Sexual Harassment and has also formed an Internal Complaints Committee (ICC) in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaint was received or outstanding at the end of the year under review in pursuance of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company enjoys harmonious relationship with its employees. The Company had 620 employees on its rolls as on 31st March, 2022 (previous year end 577)

## PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any application or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) ("IBC Code") during the year. Further, at the end of the year, Company does not have any proceedings related to IBC Code, therefore the same is not applicable..

## THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, the Company has not made one time settlement therefore, the same is not applicable

## ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation and gratitude to the Company's valued customers, the Government of India, State Government of Delhi, and the Financial Institutions and Banks for their continued support and confidence in the Company.

Your Directors also place on record their sincere gratitude to Hyatt International for their co-operation and guidance.

Your Directors also commend the sincere efforts put in by the employees at all levels for the growth of the Company.

For and on behalf of  
**Asian Hotels (North) Limited**

**Place:** New Delhi  
**Dated:** 9th August, 2022

**Ashish Dhanuka**  
Executive Director & CFO  
DIN: 07220876

**Amritesh Jatia**  
Managing Director  
DIN: 02781300

# ASIAN HOTELS (NORTH) LIMITED

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## ANNEXURE 'A' FORMING PART OF THE DIRECTORS' REPORT

### FORM MR -3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

The Members

**ASIAN HOTELS (NORTH) LIMITED**

Bhikaji Cama Place

M. G. Marg

New Delhi 110066

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder circulars, guidelines issued thereunder by the Securities and Exchange Board of India;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SAST Regulations");
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 prior to its repealment and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 prior to its repealment and Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and; **Not Applicable**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**;
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
  1. Delhi Eating House Registration Regulation, 1980;
  2. Food Safety & Standard Act, 2006;
  3. The Food Safety and Standard Rules, 2011; and
  4. Delhi Entertainment & Betting Tax Act, 1996.

# ASIAN HOTELS (NORTH) LIMITED

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except delay in filing of few e-forms and non-filing of one form with the Registrar of Companies and as mentioned below:

1. Under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the following intimation shall be made to stock exchange within 24 hours of such change, however, the same has been made beyond 24 hours:
  - Mr. Dinesh Kumar Jain, Vice President (Corporate Affairs) & Company Secretary, resigned from the services of the Company w.e.f. 08.06.2021. The Company has made intimation to Stock Exchange beyond the prescribed time.
  - At time of submission of stock exchange intimation for appointment of Dr. Rajeev Uberoi as Director, the required affirmation regarding non-debarment of Dr. Uberoi from holding the office of Director by virtue of any order of SEBI or any other such authority was not included in terms of extant directions issued by BSE Limited and the National Stock Exchange of India Limited. However, the Company has submitted such affirmation with revised disclosure after 2 days of board meeting.
  - The Company has not intimated to the stock exchanges with respect to the divestment of its entire investment held in Sandhya Hydro Power Projects Balargha Private Limited.
  - The Company has not intimated the change in credit rating to RP & RP4 to the stock exchanges.
  - The Stock exchange intimation for revision in credit rating does not contain the reasons provided by the rating agency for such downward revision. However as confirmed by the Company, the Company had an RP Rating and therefore the Company had already requested Credit Rating Agency should withdraw the rating as per the Company’s communication dated 24th December, 2021, since the credit rating was not asked by the Company and accordingly, as confirmed by the company, it was not required to be filed with the stock exchanges.
  - Outcome of the meeting including the financial results for the Quarter ended March 31, 2021 were intimated beyond the prescribed time to the Stock exchanges. The Company has received a letter from BSE and NSE dated 14.07.2021 regarding the same.
2. Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements), 2015 read with circular issued therein, the Company has submitted the Audited Financial Results for FY 2020-21 and the Statement of Impact of Audit Qualification and declaration regarding qualifications in the Auditors’ Report. However, the Company has not included the Comments of the Auditors with regard to the Management’s view on qualification made by the Auditors.
3. The Audited financial results for the year ended March 31, 2021 were due to be submitted to the stock exchanges on 30.06.2021 considering the relaxation provided by SEBI. The Board has approved the Audited financial results on 05th July, 2021 and submitted thereafter. The Company has received show cause notice from both the Stock Exchanges i.e. National Stock Exchange of India Ltd. and BSE Ltd., imposing penalty of Rs. 29,500/- each for the late submission of the Audited Financial Results for the year ended 31st March, 2021.
4. As per the provisions of Section 179 of the Companies Act, 2013 and Secretarial Standards-1 issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs, Borrowing money otherwise than by issue of debentures shall not be passed via Circular Resolution, however Company has passed Circular Resolution for the same.
5. Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has received a letter from NSE dated 14th July, 2021 regarding non-signing of Statement on Impact of Audit Qualifications by Chief Financial Officer. The Company vide its communication dated 15th July, 2021 submitted to the NSE that during that period, there was no Chief Financial officer of the Company and therefore, the same could not be signed by Chief Financial Officer. As confirmed by the management, no further communication received from NSE in that respect.
6. The Company has received advisory letters from BSE and NSE vide their communication dated 23rd November, 2021 under Regulation 30 of SEBI (Listing Obligations and Disclosure) Regulations, 2015, regarding the irregularities observed with respect to the disclosures filed by the Company on 06th July, 2021 pertaining to “One-time Restructuring of debts with banks” and “Corporate Insolvency Resolution Process for Leading Hotels Limited, the material subsidiary of the Company. The said letter was noted by the Board with directions to exercise adequate due diligence regarding disclosure made on material events/incidents in compliance with the said regulations in true letter and spirit.

We further report that,

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

Adequate notice is given to all Directors to schedule the Board/ Committee Meetings. Agenda and detailed notes on agenda were sent in advance (and at a shorter notice for which necessary approvals obtained, if any) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



# ASIAN HOTELS (NORTH) LIMITED

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All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has following specific events / actions that had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. As confirmed by the Management of the Company during the review period, YES Bank Limited ("Bank") invoked the pledge pertaining to 5,85,064 equity shares on 11th November, 2021 held by Asian Holdings Private Limited (Promoter Entity). The Promoter entity has filed a case in the Hon'ble High Court of Delhi against the Bank for illegal revocation of said shares held by the Bank and the Hon'ble High Court of Delhi has granted a stay order in the matter and asked both the Promoter Entity and Bank to maintain status quo.
2. As Confirmed by the Management of the Company during the review period, One Time Restructuring Plan was approved by all the Bankers individually except IndusInd Bank. The approval of 60% of the bankers by numbers, representing 75% of the outstanding debt amount has been received thus OTR is considered and approved. However, due to the actions of Yes Bank Limited, there have been impediments being faced in implementation. The same is being discussed at the Joint Lender Meeting.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

**Shashikant Tiwari**

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919D000737204

Date: 09.08.2022

Place: Delhi

**Note:**

- (i) This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.
- (ii) Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2022 pertaining to Financial Year 2021-22.

The Members

**ASIAN HOTELS (NORTH) LIMITED**

Bhikaji Cama Place

M. G. Marg

New Delhi 110066

Our Report of even date is to be read along with this letter.

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

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

**Shashikant Tiwari**

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919D000737204

**Date: 09.08.2022**

**Place: Delhi**

# ASIAN HOTELS (NORTH) LIMITED

## ANNEXURE 'B' FORMING PART OF THE DIRECTORS' REPORT

PARTICULARS AS PER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

### A. CONSERVATION OF ENERGY

S. No.	Energy Conservation measures taken/capital investment made during the financial year 2021-22	Impact (Estimated savings during the Financial Year 2021-22)
1.	<p>Due to Covid Pandemic during the lockdowns many energy saving measures were taken:</p> <ol style="list-style-type: none"> <li>1. Out of 26 cold rooms We have switched off 10 and only 16 are running.</li> <li>2. Out of 115 kitchen refrigerators only 80 are kept ON rest are kept switched off.</li> <li>3. Floor corridor lights on 4th and 7th have been either switched off or kept at bare minimum.</li> <li>4. Laundry run hours reduced from 17 hours to 12 hours which saved PNG.</li> <li>5. Vacant guest rooms minibars have been switched off.</li> <li>6. Chiller temperature set point increased to keep its run hours to bare minimum.</li> </ol>	Approximate savings of Rs. 45 lacs achieved during FY 2021-22

S. No.	Steps taken by the Company for utilizing alternate sources of energy during the financial year 2021-22	Status
1.	Company had contract with APPCL for providing green power through Open access system. The Company had taken a power quantum of 1 MW in Open access and this has resulted in savings on account of lower units cost as compared to BSES. The savings this year is less on account of additions charges levied by the Government.	Approximate savings of Rs. 100 lacs achieved during the financial year 2021-22

S. No.	Additional investment made/proposed during the financial year 2022-23 for 'Sustainability Efforts'	Impact (Estimated savings per annum)
1.	<p>The company went ahead with replacement of 7 nos existing cooling towers. These cooling towers were old, inefficient, and required frequent maintenance. The replacement expenditure was Rs 30 lacs.</p> <p>The company plans to revamp its capacitor panel to further improve the power factor and replacement of existing lamps with L.E.D lamps. This will be done at a cost of about Rs 10 lacs.</p>	<p>This would result in an annual saving of Rs 12 lacs.</p> <p>This initiative will result in an annual saving of Rs 18 Lacs.</p>

There is no further proposal for additional investments during the financial year 2022-23.

### B. TECHNOLOGY ABSORPTION

In the opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014, are not applicable as hotels form part of the service industry and the Company does not have any significant manufacturing operations.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- The Company has a strong commitment to international business, and is continuously exploring avenues to increase its foreign exchange earnings.
- During the year under review, foreign exchange earnings amounted to Rs. 16.04 crore (Rs. 10.32 crore in the prior year) against which the outgo in foreign exchange was equivalent to Rs 15.47 crore (Rs. 21.05 crore in the prior year).
- Details of foreign exchange earnings and outgo are given at Note 39 to the Stand-alone Financial Statements.

# ASIAN HOTELS (NORTH) LIMITED

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

Disclosure under Section 197(12) of the Companies Act, 2013 (the Act) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2022:**

Name of the Director	Nature of Directorship	Ratio
Mr. Shiv Kumar Jatia*	Chairman & Managing Director	81.27:1
Mr. Amritesh Jatia#	Managing director	0
Mr. Ashish Dhanuka#	Executive Director	2.74:1

\* Mr. Shiv Kumar Jatia resigned from the office of Director effective 21st October, 2021 and the ratio is calculated on the basis of his annualized salary.

# Mr. Amritesh Jatia and Mr. Ashish Dhanuka were appointed as Managing Director and Executive Director respectively with effect from 23rd October, 2021

As the Company suffered loss, no commission was paid to the Non-executive Directors for the year under review. Non-executive directors were paid only the sitting fee for attending the meetings of the Board and Committees thereof. Accordingly, the calculation of required ratio, only on the basis of sitting fee paid would not be appropriate.

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name of the Director/KMP	Office held	Increase/(Decrease) (%)
Mr. Shiv Kumar Jatia*	Chairman & Managing Director	Nil
Mr. Dinesh Kumar Jain**	Company Secretary	Nil

\* Mr. Shiv Kumar Jatia resigned effective 21st October, 2021

\*\* Mr. Dinesh Kumar Jain resigned effective 8th June, 2021

Mr. Amritesh Jatia was appointed as Managing Director with effect from 23rd October, 2021. He received no remuneration during the financial year ending 31st March, 2022

Mr. Ashish Dhanuka was appointed as Chief Financial Officer on 24th July, 2021 and further he was appointed as an Executive Director with effect from 23rd October, 2021. He received remuneration of Rs. 932114/- during the financial 2021-22.

Ms. Saumya Goel was appointed as Company Secretary effective 11th August, 2021 and resigned from her office effective 20th May, 2022. She received remuneration of Rs. 657673/- during her tenure.

Non-executive directors are paid commission on profit as remuneration. Further, they are paid sitting fees for attending the meetings of the Board and Committees thereof. As mentioned above, due to the loss suffered by the Company, no commission was paid to any director in respect of the year under review. Hence, there is no case for increase in remuneration of any non-executive directors.

3. **The percentage increase/(decrease) in the median remuneration of employees in the financial year under review: (5.62%)**
4. **The number of permanent employees on the rolls of Company as on 31st March, 2022: 620**
5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase in salary of all employees (other than the Managing Director and Executive Director) during the year under review is 4.0 %

There was no increase in the remuneration paid to Mr. Shiv Kumar Jatia, Managing Director, hence the average percentage increase is 0%. He was paid the remuneration in accordance with the shareholders' approvals obtained within the limits prescribed under Schedule V of the Act, as applicable. Any component paid in excess is recovered from the concerned person.

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

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

# ASIAN HOTELS (NORTH) LIMITED

## ANNEXURE 'D' FORMING PART OF THE DIRECTORS' REPORT

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

S. NO.	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (RS.)	QUALIFICATION	EXPERIENCE (YRS.)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD/DESIGNATION/ PERIOD
<b>TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWS</b>								
1	Shiv Kumar Jatia	69	Chairman and Managing Director	3,70,67,428	B. Com	49	10.04.1981	21.10.2021 Industrialist
2	Julian Ayers	56	General Manager	1,21,71,333	Hotel Management Graduate	22	01.08.2019	10.11.2021 Alila Jabal Akhdar Oman Alila Hotels & Resorts – Singapore (6 Yrs 3 months)
3	Ivan Gabriele	50	Executive Chef	69,16,437	Master in Hotel Management	22	10.02.2016	New World Manila Bay Hotel, Philippines, Executive Chef (1 Yr.)
4	Zhang Hongsheng	43	Chef De Cuisine	54,27,099	Beijing Culinary School	25	10.06.2021	Grand Hyatt Beijing, Chef De Partie (4 Yrs 4 months)
5	Vipin Vasudeva	59	Vice President - Projects	50,20,848	B.E. (Civil)	36	15.01.2010	Magus Estates and Hotels Limited, Vice President – Projects (5 Yrs.)
6	Mohamed Hussein Ibrahim Kaseem	38	Chef De Cuisine	41,29,096	Diploma in Hotel and Tourism	16	08.10.2020	Andaz Dubai, Sous Chef (7 months)
7	Kunal Dewan	39	Director of Sales & Marketing	33,74,191	B.com, Post Graduation in International Hospitality	18	22.10.2018	Embassy Group, Head-Luxury Residential Business (4 months)
8	Meenakshi Prabhakar	52	Director Of HR	29,29,960	MSc in Clinical Psychology, Diploma in Personal Management and industrial relations.	30	15.03.2017	MDB Group – Delhi, Head Human Resource Corporate (1year)
9	Sun Donghong	32	Sous Chef	28,50,240	Graduation	16	16.07.2021	Ritz Carlton, Dim Sim Chef. (2 Yrs 9 months)
10	Anil Kumar Khurana	60	Master Indian Chef	27,52,656	B.com, Apprentice Training Maurya Sheraton, AIPT from USA	41	27.08.2004	Hyatt Regency Dubai, Indian Chef (3 months)
<b>EMPLOYED THROUGHOUT THE YEAR AND IN RECEIPT OF REMUNERATION NOT LESS THAN RS. 102 LAC</b>								
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>*EMPLOYED FOR PART OF THE YEAR AND IN RECEIPT OF REMUNERATION NOT LESS THAN RS. 8.50 LAC PER MONTH</b>								
1	Shiv Kumar Jatia	69	Chairman and Managing Director	3,70,67,428	B. Com	49	10.04.1981	21.10.2021 Industrialist
2	Julian Ayers	56	General Manager	1,21,71,333	Hotel Management Graduate	22	01.08.2019	10.11.2021 Alila Jabal Akhdar Oman Alila Hotels & Resorts – Singapore (6 Yrs 3 months)

### Notes:

- \*The above table is based on payouts made during the year.
- Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to Provident Fund, LTA, Personal pay, Performance incentive, Ex-gratia payment and monetary value of other perquisites, if any, on the basis of Income Tax rules. No commission is payable for the year under review to the Managing Director due to the loss incurred. Appointment of Mr. Shiv Kumar Jatia and Mr. Ivan Gabriele is/was on contractual basis.
- None of the above-named employee is a relative of any Director of the Company except Mr. Shiv Kumar Jatia who is the father of Mr. Amrithesh Jatia.
- No other employee mentioned herein above, apart from Mr. Shiv Kumar Jatia holds 2% or more equity shares of the Company.
- The remuneration paid to Mr. Shiv Kumar Jatia includes the payment of Gratuity.
- Mr. Shiv Kumar Jatia resigned with effect from 21st October, 2021.
- Mr. Julian Ayers resigned effective 10th November, 2021

# ASIAN HOTELS (NORTH) LIMITED

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## ANNEXURE 'E' FORMING PART OF THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT

#### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate governance is about commitment to values and ethical business conduct. It implies application of those values and ethics to manage day to day affairs and dealings with all the stakeholders. It is about how an organization is managed. Further, dissemination of timely and accurate information regarding financial position and general state of affairs of the entity is an important part of corporate governance.

The Company is committed to good governance practices while conducting its business and endeavors to uphold the core concept of Corporate Governance. The four pillars, on which the corporate governance rests, are transparency, integrity, accountability and compliance of laws, and Asian Hotels (North) Limited ('the Company'), has imbibed these principles and endeavors to follow these diligently.

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company's 'Corporate Governance Report' is given below:

#### BOARD OF DIRECTORS

In consonance with the requirements of Regulation 17 of the Listing Regulations, the Board of Directors of the Company is constituted of an appropriate mix of executive and non-executive directors on one hand, and an adequate number of independent directors from amongst the non-executive directors, on the other hand, to maintain the Board's independence, and to ensure exercising effective governance and control over its executive functioning. At the beginning of the year under review, the Board had six directors comprising three independent non-executive directors, two non-executive non-independent directors, and one executive director being the Chairman & Managing Director.

During the year under review, there were changes in the composition of Board of Directors of the Company and its constitution was in compliance with the provisions of the Companies Act, 2013 (the Act) and Listing Regulations. The changes in the composition of Board of Directors are given below:

- Mr. Dinesh Chandra Kothari, Independent Non-Executive Director due to his pre-occupation resigned from the office of Director of the Company w.e.f. 10th August, 2021 and also confirmed that there was no other material reason whatsoever for his resignation;
- Dr. Rajeev Uberoi, was appointed as an Additional Director in the capacity of an Independent Non-Executive Director by the Board in its meeting held on 11th August, 2021 to hold office for a term of five consecutive years i.e. upto 10th August, 2026 and in the 40th AGM shareholders approved his appointment as an Independent Non-Executive Director of the Company;\*
- Mr. Sanjeev Agarwala, was appointed as an Additional Director in the capacity of Independent Non-Executive Director by the Board vide Circular Resolution No. 9/2021-22 dated 4th October, 2021 to hold the office for a term of two consecutive years i.e. upto 3rd October, 2023 subject to the regularisation of the appointment by the shareholders in the ensuing Annual General Meeting of the Company;
- Mr. Shiv Kumar Jatia, Chairman & Managing Director resigned from the office of Director of the Company effective from 21st October, 2021;
- Mr. Amritesh Jatia was appointed as Managing Director of the Company by the Board of Directors in its meeting held on 23rd October, 2021 for a period of five years i.e. upto 22nd October, 2026, not liable to retire by rotation subject to the approval of shareholders in the ensuing Annual General Meeting of the Company, resulted into change in his designation from Non-Executive Director to Managing Director of the Company.
- Mr. Ashish Dhanuka has been appointed as an Additional Director in the capacity of Whole Time Director (designated as an Executive Director and Chief Financial Officer) by the Board in its meeting held on 23rd October, 2021 for a period of three years i.e. upto 22nd October, 2024, liable to retire by rotation.
- Dr. Lalit Bhasin, Independent Non-Executive Director, resigned before the expiry of his tenure from the office of Director of the Company effective from 8th November, 2021 due to personal reason, age factor and professional commitments and also confirmed that there was no other material reason whatsoever for his resignation;

\*Dr. Rajeev Uberoi resigned from the office of Board of Directors of the Company on 10th April, 2022 due to his professional preoccupation.

At the 40th Annual General Meeting of the Company held on 29th September, 2021 the following resolutions were approved and adopted relating to directorships:

- Mr. Amritesh Jatia (DIN: 02781300) who retired by rotation, was re-appointed as a director liable to retire by rotation;
- Dr. Rajeev Uberoi (DIN: 01731829), who was appointed as an Additional Director in the capacity of an Independent Non-Executive Director to hold office for a term of five consecutive years from 11th August, 2021 upto 10th August, 2026 and was appointed as an Independent Non-Executive Director of the Company.

The Company follows the prescribed Board procedures and furnishes detailed notes in advance on the businesses to be dealt with at the Board Meetings in terms of Regulation 17 of the Listing Regulations. The Board has been meeting regularly ensuring that the gap



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between two consecutive meetings does not exceed one hundred and twenty days. The Company was generally in compliance with the requirements of Regulation 17 of the Listing Regulations, as applicable at the relevant time.

During the year under review, seven Board meetings were held respectively on 2nd April, 2021; 5th July, 2021; 24th July, 2021, 11th August, 2021, 23rd October, 2021, 12th November, 2021 and 12th February, 2022.

Pursuant to the provisions of Para C of Schedule V to the Listing Regulations, the relevant information including the composition of the Board, category of the directors, details of directorships held, committee memberships/chairmanships held, and the attendance of the directors at the Board meetings and the previous Annual General Meeting (AGM) held during the year under review are given below:

S. No.	Name of the Director & Directors Identification Number@	Category	Board meetings attended vis-à-vis meetings held during their respective tenure including the meeting in which appointed	Last AGM attended: 29th September, 2021	No. of other Directorships^	No. of Committee memberships in public companies ^ #	No. of Chairmanship in such Committees ^ #
1.	Mr. Shiv Kumar Jatia (DIN: 00006187)	Executive [Chairman & Managing Director] & Promoter Director	4 of 4	YES	20*	2*	1
2.	Dr. Lalit Bhasin (DIN: 00001607)	Independent Non-Executive Director	5 of 5	YES	8*	4*	4*
3.	Mr. Dinesh Chandra Kothari (DIN: 00195609)	Independent Non-Executive Director	0 of 3##	N.A.	8	4	2
4.	Mr. Amrutesh Jatia (DIN: 02781300)	Executive (Managing Director) & Promoter Director	7 of 7	YES	4*	2	0
5.	Mr. Ashish Dhanuka (DIN:07220876)	Executive (Executive Director & Chief Financial Officer)	2 of 3\$\$	YES	2	1	0
6.	Mr. Akhilesh Bhuwalka (DIN: 02764273)	Non – Executive Director	4 of 7	YES	4	1	0
7.	Ms. Preeti Gandhi (DIN: 08552404)	Independent Non-Executive Director	7 of 7	YES	1	2	1
8.	Dr. Rajeev Uberoi (DIN: 01731829)	Independent Non-Executive Director	3 of 4**	YES	8	3	0
9	Mr. Sanjeev Agarwala (DIN: 09342150)	Independent Non-Executive Director	3 of 3^^	N.A.	1	2	1

@ Inter-se relationship of directors: There is no inter-se relationship among the Directors except that Mr. Amrutesh Jatia is son of Mr. Shiv Kumar Jatia.

^ Reflects status as per the latest declarations received from the directors. Includes directorship/membership/chairmanship of the Board/ Committees of Asian Hotels (North) Limited and excludes foreign bodies corporate. Further, directorships include Section 8 companies and companies limited by guarantee.

#Only membership and/or chairmanship of Audit Committee and Stakeholders' Relationship Committee in public limited companies have been taken for this purpose. Wherever the director is a chairman of a Committee, it is also reflected in the count for membership of Committees.

## Mr. Dinesh Chandra Kothari resigned from the Officer of Director of Asian Hotels (North) Limited on 10.08.2021

\* Number of Directorships and Number of Membership & Chairmanship in such Committees of public limited companies includes Leading Hotels Limited, for which Order under Section 7 of the Insolvency & Bankruptcy Code 2016, has been passed on June 25, 2021 for initiating Corporate Insolvency Resolution Process (CIRP).

\*\* Dr. Rajeev Uberoi was appointed as Non-Executive Independent Director for a period of 5 years i.e. 11.08.2021 to 10.08.2026. He resigned from the office of Director on 10.04.2022

^^Mr. Sanjeev Agarwala was appointed as Non-Executive Independent Director for a period of 2 consecutive years i.e. 04.10.2021 to 03.10.2023

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\$\$ Mr. Ashish Dhanuka was appointed as Chief Financial Officer (CFO) on 24.07.2021 and as an Executive Director of the Company on 23.10.2021 for 3 years i.e. 23.10.2021 to 22.10.2024

The number of Directorships, Chairmanships and Committee memberships of each Director is in compliance with the relevant provisions of the Act and the Listing Regulations.

None of the independent non-executive directors is serving as an independent director in more than seven listed companies. Further, none of the directors of the Company holding the position of a whole-time director/Managing Director in any listed company is serving as an independent director in more than three listed companies.

As mandated by the Listing Regulations, none of the Directors of the Company are members of more than ten Board level committees nor are the Chairperson of more than five Board level committees in public limited companies in which they are Directors.

As on 31st March, 2022, except Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari, Dr. Rajeev Uberoi none of the other Director holds directorship in any other listed company. The detail of directorships held by the aforesaid Directors in other listed companies is given below:

S. No.	Name of Director and Category	Name of the Listed Company where the person is a director *	Category of Directorship
1	Dr. Lalit Bhasin, Independent Non-Executive Director#	1. Godfrey Phillips India Limited 2. Asian Hotels (West) Limited#	Independent Non- Executive Director
2	Mr. Dinesh Chandra Kothari**, Independent Non- Executive Director	Aro Granite Industries Limited	Independent Non- Executive Director
3	Dr. Rajeev Uberoi Independent Non-Executive Director	1. Shalimar Paints Limited 2. Jindal Stainless (Hisar) Limited	Independent Non- Executive Director

\* Excludes the Directorship held in Asian Hotels (North) Limited.

\*\*Mr. Dinesh Chandra Kothari resigned from the Office of Director of Asian Hotels (North) Limited on 10.08.2021

# Dr. Lalit Bhasin resigned from the Board of Asian Hotels (North) Limited w.e.f. 08.11.2021

## CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED, IN CONTEXT OF OUR BUSINESS BY THE BOARD OF DIRECTORS

The Board of Directors have identified the following core skills/expertise/competencies as required in the context of its business for it to function effectively and those actually available with the Board; and the names of the Directors who have/had such skills at the end of the year under review, are tabulated below:

Understanding the business dynamics and global trends	Mr. Shiv Kumar Jatia, Mr. Amritesh Jatia, Mr. Ashish Dhanuka & Mr. Akhilesh Bhuwarka
Strategic planning for sustainable growth of the Company	Dr. Rajeev Uberoi, Mr. Sanjeev Agarwala and Mr. Amritesh Jatia
Governance practices for serving the best interest of all stakeholders	Dr. Lalit Bhasin, Dr. Rajeev Uberoi, Mr. Sanjeev Agarwala and Ms. Preeti Gandhi

In the opinion of the Board, all the Independent Non-Executive Directors as on 31st March, 2022, namely Dr. Rajeev Uberoi, Mr. Sanjeev Agarwala and Ms. Preeti Gandhi fulfilled the conditions specified in the Listing Regulations and the Act and were independent of the Management during the year under review and continue to be independent during their tenure subsequent to the year under review.

Mr. Dinesh Chandra Kothari, Independent Non-Executive Director, resigned before the expiry of his tenure from the office of Director with effect from 10th August, 2021 due to his preoccupations and confirmed that there was no other material reason whatsoever for his resignation.

Dr. Lalit Bhasin, Independent Non-Executive Director, resigned before the expiry of his tenure from the office of Director with effect from 8th November, 2021 due to personal reason, age factor and professional commitments and also confirmed that there was no other material reason whatsoever for his resignation.

Dr. Rajeev Uberoi, Independent Non-Executive Director, resigned before the expiry of his tenure from the office of Director with effect from 10th April, 2022 due to his preoccupations and confirmed that there was no other material reason whatsoever for his resignation.

All the Directors of the Company have affirmed that they are not debarred from holding the office of Director by virtue of any order of SEBI or other such statutory authority.

## COMMITTEES OF DIRECTORS

Apart from committees for different operational purposes, the Company's Board has the following Committees constituted in pursuance of various provisions of the Act and the Listing Regulations. All recommendations of the Committees were placed before the Board for approval or information, if required. During the year under review, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board.

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## a) Audit Committee:

At the commencement of the year under review, the Committee comprised of four members namely Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Ms. Preet Gandhi, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, Managing Director. During the year under review, Mr. Dinesh Chandra Kothari resigned from the office of Director effective, 10th August, 2022 and accordingly ceased to be member of the Audit Committee and Mr. Shiv Kumar Jatia resigned from the office of Chairman & Managing Director and from the Board of the Company on 21st October, 2021, accordingly ceased to be member of Audit Committee. Further, Dr. Rajeev Uberoi was appointed as Independent Non-executive Director of the Company on 11th August, 2021 and subsequently, on the same day he was co-opted as member of Audit Committee of the Company. On reconstitution of the Committee on 23rd October, 2021, Dr. Lalit Bhasin's membership in the Committee was ceased. Further, Mr. Sanjeev Agarwala was appointed as Independent Non-executive Director of the Company on 4th October, 2021 and on 23rd October, 2021 he was co-opted as Chairman of Audit Committee of the Company. Further, Mr. Amrithesh Jatia, Managing Director was also co-opted as member of the Audit Committee on 23rd October, 2021.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 29th September, 2021.

The Chief Financial Officer of the Company and the Audit Partner/representative(s) of the Statutory Auditors are the permanent special invitees to the committee meetings unless otherwise decided by the Committee.

The terms of reference of the Committee, its role, responsibilities, powers, and terms of reference are in consonance with the provisions of Section 177 and other applicable provisions of the Act and rules made thereunder; Regulation 18 and other applicable provisions of the Listing Regulations and relevant Schedule thereto; and relevant provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended or re-stated from time to time.

The Terms of reference and role of the Audit Committee inter-alia includes matters specified under section 177(4) of the Companies Act, 2013 and Part-C of Schedule II of SEBI Listing Regulations as follows:

- Oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing with the management the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Evaluation of internal financial controls;
- Reviewing financial statements of unlisted subsidiaries;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Reviewing implementation/compliance of the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders (the Insider Trading Code); and
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors to the Company.
- Such matters as stated in section 177 of the Companies Act, 2013 and Part-C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee's business and meetings are conducted in terms of the above-referred provisions. The quorum requires presence of at least two members, both being independent non-executive directors.

Dr. Lalit Bhasin, Independent Non-Executive Director, an eminent lawyer, was the Chairman of the Audit Committee. He is chairman/member of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of several listed and un-listed companies.

Mr. Dinesh Chandra Kothari is a Chartered Accountant and has rich experience in financial restructuring. Mr. Kothari is member of Audit Committee and Stakeholders' Relationship Committee of another listed company.

Ms. Preeti Gandhi is a Law Graduate, her expertise vest in counseling the management while balancing legal expertise and business judgement.

Mr. Shiv Kumar Jatia, Chairman & Managing Director of the Company is an industrialist of high repute and has rich business experience in managing many private as well as public/listed companies.

Dr. Rajeev Uberoi is a PhD. (Philosophy), L.L.B., and M.A. (Economics). He also holds a Business Administration Diploma from Management Development Institute. He has rich experience with eminent organizations like Reserve Bank of India, Standard Chartered Bank, Citi Bank etc. He is Chairman of Audit Committee of other listed companies also.

Currently, Mr. Sanjeev Agarwala is the Chairperson of the Audit Committee. He is a Fellow Chartered Accountant in India, Certified Public Accountant from United States, a public speaker and erstwhile faculty member at Becker CPA in Dubai Knowledge Village. He is an industry veteran with over 30 years of experience. Mr. Agarwala's core strengths include Hospitality, Fund raising in equity and debt capital markets, private Equity, investments, derivatives, as well as mergers and acquisitions.

Mr. Amrithesh Jatia has about fifteen years' experience. He has been monitoring execution and progress of various projects initiated by the Jatia Group. He possesses leadership experience in handling business operations and strategic planning with a vision of the future.

The Company Secretary of the Company acts as Secretary to the Committee.

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During the year under review, seven meetings of the Committee were held respectively on 2nd April, 2021; 5th July, 2021; 24th July, 2021, 11th August, 2021, 23rd October, 2021, 12th November, 2021 and 12th February, 2022 and the gap between two consecutive Audit Committee Meetings did not exceed one hundred and twenty (120) days. The composition of the Committee and attendance of the member directors at the Audit Committee meetings is as under:

Name of the Director	Category	No. of Meetings Attended
Dr. Lalit Bhasin*	Independent Non-Executive Director	5 of 5
Mr. Dinesh Chandra Kothari**	Independent Non-Executive Director	0 of 3
Mr. Shiv Kumar Jatia***	Executive & Promoter Director	4 of 4
Ms. Preeti Gandhi	Independent Non-Executive Director	7 of 7
Dr. Rajeev Uberoi****	Independent Non-Executive Director	3 of 3
Mr. Sanjeev Agarwala*****	Independent Non-Executive Director Chairman of the Committee	2 of 2
Mr. Amritesh Jatia*****	Managing Director/ Promoter Director	2 of 2

\*Dr. Lalit Bhasin, ceased to be member of the Audit Committee of the Company effective from 08th November, 2021, due to the resignation as Director of the Company.

\*\*Mr. Dinesh Chandra Kothari, ceased to be member of the Audit Committee of the Company effective from 10th August, 2021, due to the resignation as Director of the Company.

\*\*\*Mr. Shiv Kumar Jatia, ceased to be member of the Audit Committee of the Company effective from 21st October, 2021, due to the resignation as Director of the Company.

\*\*\*\*Dr. Rajeev Uberoi, ceased to be member of the Audit Committee of the Company effective from 10th April, 2022, due to the resignation as Director of the Company.

\*\*\*\*\* Mr. Sanjeev Agarwala was co-opted as Chairman of Audit Committee of the Company on 23rd October, 2021.

\*\*\*\*\*Mr. Amritesh Jatia, Managing Director was also co-opted as member of the Audit Committee on 23rd October, 2021

## b) Stakeholders Relationship Committee:

The roles, responsibilities, powers and terms of reference of the Stakeholders' Relationship Committee as defined in, and in conformity with the provisions of Section 178 and other applicable provisions of the Act read with Regulation 20 and other applicable provisions of the Listing Regulations, as amended or re-stated from time to time.

The Terms of reference and role of the Stakeholders Relationship Committee inter-alia includes:

- Look into various aspects of shareholders' interests;
- Redressal of investors' grievances;
- Ensuring effective measures and initiatives for reducing quantum of unclaimed dividend; and
- Consider and approve issuance of share certificates and transmission etc of shares.
- Such matters as stated in section 178 of the Companies Act, 2013 and Part-D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the commencement of the year under review, the Committee comprised of five members namely Mr. Dinesh Chandra Kothari and Ms. Preeti Gandhi, Independent Non-Executive Directors, Mr. Amritesh Jatia and Mr. Akhilesh Bhuwarka, Non-Executive Directors, Mr. Shiv Kumar Jatia, Managing Director. Mr. Dinesh Chandra Kothari acted as the chairman of the Committee till 10th August, 2021, as he resigned from the office of Director of the Company on that date. The Committee meets at the regular intervals as per the requirement and the quorum requires presence of at least two members, including an independent non-executive director. During the year under review, Mr. Dinesh Kothari and Mr. Shiv Kumar Jatia resigned from the office of Directors of the Company effective, 10th August, 2021 and 21st October, 2021, respectively and accordingly ceased to be member of Stakeholders Relationship Committee. Further, Dr. Rajeev Uberoi, Independent Non-executive Director appointed on the Board on 11th August, 2021 and the same day he was co-opted as members of Stakeholders' Relationship Committee. On 11th August, 2021, Ms. Preeti Gandhi was co-opted as Chairman of the Committee. The Stakeholders' Relationship Committee was reconstituted on 23rd October, 2021, Dr. Rajeev Uberoi resigned as a member of the Committee. During the year under review, Mr. Sanjeev Agarwal was appointed as an Independent Non-Executive Director on 4th October, 2021 and Mr. Ashish Dhanuka was appointed as an Executive Director on 23rd October, 2021. Both Mr. Sanjeev Agarwala and Mr. Ashish Dhanuka were co-opted in the Committee as Members on 23rd October, 2021.

The Chairman of the Stakeholders Relationship Committee also attended the last Annual General Meeting of the Company held on 29th September, 2021.

The Committee's primary responsibility is to supervise redressal of shareholders' grievances. It acts as a catalyst for matters concerning shareholders and is quite proactive in its approach. There were no complaints which were lying unresolved or unattended at the beginning of the year, the Company received 37 complaints during the year under review, which were appropriately attended

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and/or resolved. There was no complaint lying unresolved or unattended as at the year end.

The Company Secretary of the Company acts as Secretary to the Committee.

During the year under review, four meetings of the Committee were held respectively on 5th July, 2021, 11th August, 2021, 12th November, 2021 and 12th February, 2022. The composition of the Committee and attendance of the member directors at the Stakeholders Relationship Committee meetings is as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Dinesh Chandra Kothari*	Independent Non-Executive Director;	0 of 1
Mr. Shiv Kumar Jatia**	Executive & Promoter Director	2 of 2
Mr. Amritesh Jatia	Managing Director/ Promoter Director	4 of 4
Mr. Akhilesh Bhuwarka	Non – Executive Director	3 of 4
Ms. Preeti Gandhi***	Independent Non-Executive Director Chairperson of the Committee	4 of 4
Mr. Sanjeev Agarwala****	Independent Non-Executive Director	2 of 2
Mr. Ashish Dhanuka*****	Independent Non-Executive Director	1 of 2
Mr. Rajeev Uberoi*****	Non-Executive Independent Director	0 of 0

\*Mr. Dinesh Chandra Kothari, ceased to be member of the Stakeholders Relationship Committee of the Company effective from 10th August, 2021, due to the resignation as Director of the Company.

\*\*Mr. Shiv Kumar Jatia, ceased to be member of the Stakeholders Relationship Committee of the Company effective from 21st October, 2021, due to the resignation as Director of the Company.

\*\*\* Ms. Preeti Gandhi was co-opted as Chairman of the Committee with effect from 11th August, 2021

\*\*\*\* Mr. Sanjeev Agarwala was inducted as member of the Committee with effect from 23rd October, 2021.

\*\*\*\*\*Mr. Ashish Dhanuka was inducted as members of the Committee with effect from 23rd October, 2021.

\*\*\*\*\*Mr. Rajeev Uberoi was inducted as member of the Committee with effect from 11th August, 2021 and he ceased to be the member of the Committee with effect from 23rd October, 2021 due to the resignation as Director of the Company

## Name, Designation and Address of the Compliance Officer

Mr. Tarun Srivastava  
Company Secretary & Compliance Officer  
Asian Hotels (North) Limited  
Bhikaji Cama Place, M G Marg, New Delhi, Delhi, 110066  
E-mail: tarun.srivastava@ahlnorth.com  
Phone: 011-66771220

## c) Nomination and Remuneration Committee:

The role, responsibilities, powers and terms of reference of the Nomination and Remuneration Committee as defined in, and in conformity with Section 178 of the Act and Rules made there-under, and Regulation 19 of the Listing Regulations and relevant Schedule thereto, as amended or re-stated from time to time, during the year under review. Moreover, the Board of Directors has ensured that the Nomination, Remuneration and Evaluation Policy of the Company is updated to conform to the aforesaid provisions, which inter-alia details the criteria for performance evaluation of the independent directors.

The Board followed the following mechanism for evaluating the performance of the Board, its Committees and individual directors including the Chairman and independent directors of the Company:

- the Independent Directors through their exclusive meeting evaluate the performance of Non- Independent directors, the Chairman and the Board as a whole;
- the Nomination and Remuneration Committee considers the views of the Independent Directors through their exclusive meeting regarding the performance of Non-Independent Directors and based there-upon make its recommendations to the Board about their performance;
- the Nomination and Remuneration Committee evaluates the performance of Independent Directors and make its recommendations to the Board about their performance; and
- the Board finally evaluates the performance of all individual directors, the Chairman, the Board as a whole and Committees thereof. While evaluating the performance of the Board, it considers the views of the Independent Directors through their exclusive meeting.

The Board of Directors of the Company has in place an evaluation criteria for assessment of its own performance, that of the committees of the Board and the individual directors. Leadership abilities, understanding the business dynamics, strategic planning for sustainable growth and protection of minority shareholders' interest, are the essential criteria for the performance evaluation of the directors.

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The Board in its meeting held on 28th May, 2022, has discussed its overall performance on the parameters as laid down in the Nomination, Remuneration and Evaluation Policy, as amended and adopted by the Board in its meeting held on 12th February, 2019, and concluded that the Board and its Committees have been performing satisfactorily. Further, based on the aforesaid policy, and the feedback received from fellow directors, the Board also evaluated the performance of the individual directors (including the Chairman) and found it satisfactory.

There was no action required to be taken during the year under review based on the previous year's observations on the Board Evaluation. Further, no action is proposed to be taken based on the observations on the Board Evaluation for the year under review.

The details of the evaluation criteria are enumerated in the Nomination, Remuneration and Evaluation Policy which can be accessed at <http://www.asianhotelsnorth.com/pdf/NominationRemunerationandEvaluationPolicyeffective01042019.pdf>

The salient features of the said policy including the role and responsibility of the Nomination and Remuneration Committee are as under:

- a) Role of the Nomination and Remuneration Committee
  - Ensure diversity of Board;
  - Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board their appointment;
  - Identify persons who are qualified to become directors and/or senior management personnel and recommend to the Board their appointment;
  - Recommend to the Board a remuneration policy for the directors, key managerial/senior management personnel; and
  - Specify the manner for effective evaluation of performance of the Board, its committees and each category of directors
- b) Appointment of directors/KMPs/SMPs as per criteria set-out in the Nomination, Remuneration and Evaluation Policy
- c) Guiding principles for quantum and composition of remuneration, remuneration structure for whole-time directors and non-executive directors
- d) Criteria for evaluation of performance of whole-time directors, non-executive directors and independent non-executive directors
- e) Such matters as stated in section 178 of the Companies Act, 2013 and Part-D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the commencement of the year under review, the Committee comprised of four independent non-executive directors as its members, viz. Dr. Lalit Bhasin, as chairman of the Committee, and Mr. Dinesh Chandra Kothari and Ms. Preeti Gandhi and one Non-Executive Director namely Mr. Amrithesh Jatia as its members. Any two members form the quorum. During the year under review, Mr. Dinesh Chandra Kothari and Dr. Lalit Bhasin resigned from the office of Directors effective, 10th August, 2021 and 8th November, 2021 respectively, accordingly ceased to be a member of the Committee. Subsequently, Dr. Rajeev Uberoi has been co-opted as a Member of the Nomination and Remuneration Committee on 11th August, 2021. On reconstitution of the Committee on 23rd October, 2021, Dr. Rajeev Uberoi's, Dr. Lalit Bhasin's and Mr. Amrithesh Jatia's memberships ceased. On 23rd October, 2021, Ms. Preeti Gandhi, Independent Non-executive Director has been co-opted as Chairman of the Committee and also Mr. Sanjeev Agarwala and Mr. Akhilesh Bhuwarka were co-opted as members of Nomination and Remuneration Committee.

The Chairman of the Nomination and Remuneration Committee also attended the last Annual General Meeting of the Company held on 29th September, 2021.

The Company Secretary of the Company acts as the secretary to the Committee.

During the year under review, five meetings of the Committee were held respectively on 5th July, 2021, 24th July, 2021, 11th August, 2021, 23rd October, 2021 and 12th February, 2022. The composition of the Committee and attendance of the member directors at the Nomination and Remuneration Committee meetings is as under:

Name of the Director	Category	No. of Meetings Attended
Dr. Lalit Bhasin*	Independent Non-Executive Director;	4 of 4
Mr. Dinesh Chandra Kothari**	Independent Non-Executive Director	0 of 2
Ms. Preeti Gandhi	Independent Non-Executive Director Chairperson of the Committee	5 of 5
Mr. Amrithesh Jatia***	Managing Director/ Promoter Director	4 of 4
Dr. Rajeev Uberoi****	Independent Non-Executive Director	1 of 1
Mr. Akhilesh Bhuwarka	Non-Executive Director	0 of 1
Mr. Sanjeev Agarwala*****	Independent Non-Executive Director	1 of 1

\*Dr. Lalit Bhasin, ceased to be member of the Nomination and Remuneration Committee of the Company effective from 08th November, 2021, due to his resignation as Director of the Company.



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\*\*Mr. Dinesh Chandra Kothari, ceased to be member of the Nomination and Remuneration Committee of the Company effective from 10th August, 2021, due to his resignation as Director of the Company.

\*\*\*Mr. Amritesh Jatia, ceased to be member of the Nomination and Remuneration Committee of the Company effective from 23rd October, 2021, due to change in designation from Non-Executive Director to Managing Director of the Company.

\*\*\*\*Mr. Sanjeev Agarwala inducted as a member of the Committee with effect from 23rd October, 2021.

\*\*\*\*\*Dr. Rajeev Uberoi, ceased to be member of the Nomination and Remuneration Committee of the Company effective from 10th April, 2022, due to his resignation as Director of the Company.

## d) Corporate Social Responsibility (CSR) Committee:

At the commencement of the year under review, the CSR Committee ("Committee"), constituted under Section 135 of the Act, comprised Mr. Shiv Kumar Jatia, Managing Director, who chair the Committee meetings, and Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Ms. Preeti Gandhi, Independent Non-executive Directors as its members. During the year under review, Mr. Dinesh Chandra Kothari resigned from the office of Director of the Company effective from 10th August, 2021 and accordingly ceased to be member of Corporate Social Responsibility Committee, Further, Dr. Rajeev Uberoi, Independent Non-executive Director was appointed on 11th August, 2021 and Subsequently, co-opted as member of the Corporate Social Responsibility Committee. During the year under review, Mr. Shiv Kumar Jatia resigned from the office of Chairman & Managing Director and Director of the Company effective 21st October, 2021 and accordingly, ceased to be member of Corporate Social Responsibility Committee. On reconstitution of the Committee on 23rd October, 2021, Mr. Amritesh Jatia became member and Chairman and Mr. Sanjeev Agarwala inducted as member of Corporate Social Responsibility Committee.

The roles, responsibilities, powers and terms of reference of the Committee are in consonance with Section 135 of the Act and the rules made there-under. Quorum for the Committee meetings is two members.

All activities envisaged to be undertaken under the Company's CSR Policy are covered as permitted activities under Schedule VII to the Act.

The Committee is entrusted with the task of ascertaining the amount which the Company is supposed to spend on CSR activities during a particular year in pursuance of Section 135(5) of the Act and recommend how and through which institutions, the permitted activities should be undertaken, and to allocate the amount of expenditure to be incurred on each of such activities. Further, the Committee is entrusted to monitor the progress of the designated projects and ensure that the funds allocated are appropriately utilized for the designated projects/activities.

Salient features of the said policy are as under:

- Defines roles and responsibilities of the CSR Committee;
- All designated CSR activities under the policy are permitted activities under Schedule VII of the Act.; and
- The policy lays down a detailed execution, monitoring and reporting mechanism.

The CSR Policy of the Company is available on our website [http://www.asianhotelsnorth.com/pdf/CSR\\_Policy\\_effective\\_01.04.2021.pdf](http://www.asianhotelsnorth.com/pdf/CSR_Policy_effective_01.04.2021.pdf)

Mr. Dinesh Chandra Kothari, Independent Non-Executive Director, resigned from the office of Director of the Company.

During the year under review, only one meeting of the Committee was held on 5th July, 2021, the composition of the Committee and attendance of the member directors at the CSR Committee meeting is as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Shiv Kumar Jatia*	Executive & Promoter Director and Chairman of the Committee upto 21.10.2021	1 of 1
Dr. Lalit Bhasin**	Independent Non-Executive Director	1 of 1
Mr. Dinesh Chandra Kothari***	Independent Non-Executive Director	0 of 1
Ms. Preeti Gandhi	Independent Non-Executive Director	1 of 1
Dr. Rajeev Uberoi****	Independent Non-Executive Director	0 of 0
Mr. Amritesh Jatia	Managing Director/ Promoter Director and Chairman of the Committee effective 23.10.2021	0 of 0
Mr. Sanjeev Agarwala*****	Independent Non-Executive Director	0 of 0

\*Mr. Shiv Kumar Jatia, ceased to be Chairman & member of the Corporate and Social Responsibility Committee of the Company effective from 21st October, 2021, due to his resignation as Director of the Company.

\*\*Dr. Lalit Bhasin, ceased to be member of the Corporate and Social Responsibility Committee of the Company effective from 08th November, 2021, due to his resignation as Director of the Company.

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\*\*\*Mr. Dinesh Chandra Kothari, ceased to be member of the Corporate and Social Responsibility Committee of the Company effective from 10th August, 2021, due to his resignation as Director of the Company.

\*\*\*\*Dr. Rajeev Uberoi, inducted as member effective from 11th August, 2021 however, due to his resignation as Director of the Company ceased to be member of the Corporate and Social Responsibility of the Company effective from 10th April, 2022.

\*\*\*\*\*Mr. Sanjeev Agarwala inducted as a member of the Corporate and Social Responsibility of the Company effective from 23rd October, 2021.

In the meeting held on 28th May, 2022, the Board decided to dissolve the Committee in accordance with the provisions of the Companies Act, 2013 read with relevant rules made there under, considering that the Company has been in continuous losses and falls below the prescribed threshold limit for continues period of 3 financial years. Once the Company is in a better financial position to fall under criterial for Corporate Social Responsibility, the Board will review and accordingly ensure forming of Corporate Social Responsibility Committee.

## DIRECTORS' REMUNERATION

The remuneration package of the whole-time directors comprises a fixed component in the form of salary, perquisites and allowances, and in case of adequacy of profit, may include on case to case basis, a variable component of commission on profit.

Non-executive directors, i.e. directors other than the managing director/whole-time director are entitled to remuneration by way of commission on profit. Effective 1st April, 2019, the non-executive directors are entitled to remuneration by way of commission on profit for a period of five years in such a manner that the aggregate of commission payable to all such non-executive directors does not exceed 1% of the net profit of the Company computed in terms of Section 198 of the Act, with the liberty to the Board to vary the amount or proportion payable to each one of the non-executive directors every year provided that individually none of such directors receives a sum exceeding Rs. 7,50,000/- in respect of any financial year. However, in view of the loss suffered by the Company in respect of the year under review, no commission could be provided/paid to the non-executive directors.

In addition to the above, non-executive directors are entitled to sitting fees for the meetings of the Board and the Committees thereof attended by them and reimbursement of expenses, if any, in connection therewith.

No stock option was offered to the directors or employees of the Company. In fact, the remuneration structure of executive as well as non-executive directors, as detailed below, does not provide for stock options. The notice period and severance fee are governed by the terms and conditions described in the respective resolutions and the Company policy in respect thereof.

Details of remuneration and sitting fees paid/payable to the directors for the year under review are given below:

REMUNERATION & SITTING FEES (In Rs.)				
Name of Director	Salary & Perks	Commission	Sitting Fees <sup>^</sup>	Total
Mr. Shiv Kumar Jatia*	3,70,67,428	0	N.A.	3,70,67,428
Dr. Lalit Bhasin**	0	0	0	0
Mr. Dinesh Chandra Kothari@	0	0	0	0
Mr. Amrithesh Jatia <sup>^^</sup>	0	0	0	0
Mr. Akhilesh Bhuwalka	0	0	0	0
Ms. Preeti Gandhi	0	0	0	0
Dr. Rajeev Uberoi&	0	0	3,50,000	3,50,000
Mr. Sanjeev Agarwala\$	0	0	4,00,000	4,00,000
Mr. Ashish Dhanuka#	9,32,144	0	N.A.	9,32,144
Grand Total	3,79,99,572	0	7,50,000	3,91,53,492

\*Resigned with effect from 21st October, 2021

\*\*Resigned with effect from 8th November, 2021

@Resigned with effect from 10th August 2021.

<sup>^^</sup>Mr. Amrithesh Jatia was appointed as Managing Director with effect from 23rd October, 2021 without remuneration

&Appointed with effect from 11th August, 2021 as a director for a term of 5 years ending 10th August, 2026 and resigned on 10th April, 2022.

\$Appointed with effect from 4th October, 2021 for a term of two consecutive year ending on 3rd October, 2023.

#Mr. Ashish Dhanuka was already associated with the Company. Further during the year on 23rd October, 2021 he was appointed as a Whole Time Director of the Company.

<sup>^</sup>Excluding Service Tax/GST, as applicable

# ASIAN HOTELS (NORTH) LIMITED

## Details of fixed component and performance linked incentives, along with the performance criteria:

Salary and Allowances are fixed component payable to Executive Director as per terms approved by the Board and Shareholders.

## OTHER BOARD RELATED DISCLOSURES

### Exclusive Meeting of the Independent Directors of the Company

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, During the year under review, an exclusive meeting of the independent directors was held on 5th July, 2021 for the Financial Year 2021-22, inter-alia to review the performance of directors other than independent directors, and the Board as a whole; to review the performance of the Chairperson of the Company; taking into account the views of executive directors and non-executive directors and to assess the quality, quantity and timeliness of flow of information between the Company, management and the Board. Dr. Lalit Bhasin and Ms. Preeti Gandhi, Independent Directors attended the said meeting. Mr. Dinesh Chandra Kothari was granted Leave of Absence for the said meeting.

### Familiarization Programme for Independent Directors

The Company, in pursuance of Regulation 25(7) of the Listing Regulations, has in place a Familiarization Programme for its independent directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. Such Policy on Familiarization Programme has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelnorth.com/pdf/PolicyonFamiliarisationProgrammeForIndependentDirectors.pdf>

During the year under review, a Familiarization Programme was conducted for the benefit of the independent directors on 12th February, 2022. The said Programme was attended by Dr. Rajeev Uberoi, Mr. Sanjeev Agarwala and Ms. Preeti Gandhi. The details of such Familiarization Programmes have been uploaded on the website of the Company and can be accessed at <https://www.asianhotelnorth.com/pdf/DetailsofFamiliarisationProgrammesason12022022.pdf>

As mandated, the Company has issued formal letters of appointment to its independent directors. The terms and conditions of appointment of independent directors are available on the website of the Company and can be accessed at [https://www.asianhotelnorth.com/pdf/TermsandConditionsofappointmentofIndependentDirector\\_24Mar2021.pdf](https://www.asianhotelnorth.com/pdf/TermsandConditionsofappointmentofIndependentDirector_24Mar2021.pdf)

### Shareholding of Non-Executive Directors

As on 31st March, 2022, none of the Non-Executive Directors except Mr. Sanjeev Agarwala held any equity share in the Company. Mr. Sanjeev Agarwala holds 17000 equity shares in the Company.

## GENERAL BODY MEETINGS

Financial Year	Nature of Meeting	Venue	Date	Time
2018-19	38th AGM*	Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi – 110 066	27.08.2019	10.30 a.m.
2019-20	39th AGM#	Held through video conferencing or other audio visual means at Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi- 110066 which was the deemed venue of the meeting.	24.12.2020	11.30 a.m.
2020-21	40th AGM^	Held through video conferencing or other audio visual means at Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi- 110066 which was the deemed venue of the meeting.	29.09.2021	11.00 a.m.

\* No special resolution was proposed at the 38th AGM.

# No special resolution was passed at the 39th AGM. During the financial year 2019-20, no postal ballot exercise was undertaken by the Company.

^ No special resolution was passed at the 40th AGM. During the financial year 2020-21, no postal ballot exercise was undertaken by the Company.

During the financial year 2018-19, the Company conducted a postal ballot process as initiated by the Board in its meeting held on 12th February, 2019, inter- alia to secure shareholders' approval for the following businesses by means of separate special resolutions:

1. Continuation of Dr. Lalit Bhasin (DIN: 00001607) as Independent Non-executive Director pursuant to Regulation 17(1A) of the Listing Regulations;
2. Re-appointment of Dr. Lalit Bhasin\* (DIN: 00001607) for second term of five consecutive years as an Independent Non-executive Director; and
3. Re-appointment of Mr. Dinesh Chandra Kothari\* (DIN: 00195609) for second term of five consecutive years as an Independent Non-executive Director.

\*Completed their initial term on the conclusion of the 38th AGM.

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The Company, following due procedure described under the Companies Act, 2013 read with applicable rules for postal ballot, had provided the facility of e-voting to the shareholders through Karvy Fintech Pvt. Ltd. (Karvy) [now known as KFin Technologies Limited] in addition to physical voting through postal ballot. The Notice of Postal Ballot dated 12th February, 2019, was sent to the shareholders, whose names appeared in the Register of Members/List of Beneficial Owners as at the close of business hours on Friday, the 15th February, 2019, and accordingly, the voting rights were reckoned on the paid up value of shares registered in the name of the shareholders/beneficial owners as on the said date. Last date of receipt of the Postal Ballot Forms was Tuesday, the 26th March, 2019. Dr. S. Chandrasekaran (FCS 1644, CP No. 715), Senior Partner, and in his absence Mr. Shashikant Tiwari (ACS 28994, CP No. 13050), Partner, M/s Chandrasekaran Associates, Company Secretaries were appointed as the Scrutinizer to conduct the postal ballot process in fair and transparent manner. The Scrutinizers submitted their report on Thursday, the 28th March, 2019.

Ms. Anita Thapar, Executive Director-Administration & Corporate Co-ordination, received the Scrutinizer's Report, as authorized by the Board of Directors, and based upon the said report, announced the results of the postal ballot at the Registered Office of the Company on Thursday, the 28th March, 2019 at 4.00 p.m.

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

Particulars	Resolution No. 1		Resolution No. 2		Resolution No. 3	
	No. of members voted	Votes held by them	No. of members voted	Votes held by them	No. of members voted	Votes held by them
Total No. of Members who voted, and shares held by them	201	1,41,08,654	201	1,41,08,654	201	1,41,08,654
Less: No. of Members, and their Invalid/ Rejected Votes	7	526	7	526	7	526
Less: No. of Members, and votes not exercised or partially exercised by them	8*	533	8*	533	6#	479
Total No. of Valid Votes Cast	187*	1,41,07,595	187*	1,41,07,595	189#	1,41,07,649
Valid Votes Cast in favour of the resolution	164	1,41,06,858	164	1,41,06,858	168	1,41,07,439
Valid Votes Cast against the resolution	23	737	23	737	21	210

\*One Member who holds 10 shares partially exercised his voting right for 2 shares only and not exercised his voting right for 8 shares.

#One Member who holds 10 shares partially exercised his voting right for 3 shares only and not exercised his voting right for 7 shares.

The result of the said postal ballot was communicated to BSE Limited and The National Stock Exchange of India Limited, where the equity shares of the Company are listed. The said results were displayed on the website of the Company ([www.asianhotelsnorth.com](http://www.asianhotelsnorth.com)) and on the website of Karvy ([www.evoting@karvy.com](http://www.evoting@karvy.com)).

During the year under review, no postal ballot exercise was undertaken by the Company. Further, there is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

## SUBSIDIARY COMPANIES

The Company holds 100% equity as well as preference capital in Finline Hospitality & Consultancy Pte. Ltd., Mauritius (FHCPL). FHCPL holds 80% equity stake in Lexon Hotel Ventures Ltd., Mauritius (Lexon), and Lexon in turn holds 99.76% equity stake in Leading Hotels Limited (Leading), an Indian subsidiary. Thus FHCPL has 79.81% economic interest in Leading.

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) for Leading Hotels Limited, the material subsidiary of the Company. CIRP process is nearing completion.

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

Based on the financial statements for the year ended 31st March, 2021, of the above named subsidiaries and the consolidated financial statements of the Company for the year ended as on that date, FHCPL, Lexon and Leading are material subsidiaries of the Company.

## MATERIAL DISCLOSURES

### Code of Conduct

The Board of Directors of the Company had approved and adopted a Code of Conduct, namely 'AHNL Code of Conduct', applicable to all the Board Members and Senior Management Personnel and the same is uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/CodeofConducteffective01042019.pdf>

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All concerned have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Managing Director of the Company is annexed to this report as **Annexure I**.

## **Conflict of Interest**

Based on the disclosures received by the Board from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or commercial transactions wherein they had personal interest that could have a potential conflict with the interest of the Company at large.

## **Independence of Directors**

During the year under review, all independent non-executive directors have confirmed and submitted declaration to the effect that they meet the criteria of independence as laid down under Section 149 and 150 and rules framed thereunder and other applicable provisions of the Act read with relevant regulations of the Listing Regulations. Independent non-executive directors have also submitted declarations for the financial year 2022-23 confirming that they continue to meet the criteria of independence as laid down under aforesaid provisions. Further, they have confirmed that they have obtained registration with the Indian Institute of Corporate Affairs as an Independent Director and such registration continues to be valid; and that they shall ensure renewal of such registration within a period of thirty days from the date of its expiry, as applicable; and that they shall pass the Online Proficiency Self-Assessment Test conducted by the above named institute within a period of two years from the date of inclusion of their respective names in the databank, if applicable, in pursuance of Section 150 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019. Further, in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Reliance was placed on these confirmations/declarations while ascertaining the adequacy of number of independent directors for the purposes of compliance with Regulation 17 and other applicable regulations of the Listing Regulations.

In the opinion of the Board, the independent non-executive directors fulfill the conditions specified under Section 149 of the Act and the Listing Regulations, as amended, and that they are independent of the management.

## **Related Party Transactions**

The Board of Directors of the Company has revised, approved and adopted 'Policy for Related Party Transactions', which has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelnorth.com/pdf/FY2223/Policy%20for%20Related%20Party%20Transactions%20as%20on%2001.04.2022.pdf>

There were no materially significant related party transactions that may have had potential conflict with the interest of the Company at large. Details of related party transactions i.e. transactions of the Company with its promoters, directors, key managerial personnel or their relatives and subsidiaries of the Company are detailed under Note 41 to the Stand-alone Financial Statements. The Board certifies that these transactions are in the ordinary course of business, and are on an arm's length basis. These transactions have been approved by the Audit Committee and the Board of Directors from time to time. Save as otherwise detailed above, the directors and key managerial personnel had no pecuniary relationship or transactions with the Company during the year under review.

## **Policy for Determining Material Subsidiaries**

In compliance with Regulation 24 of the Listing Regulations, the audit committee of the Company reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The Board of Directors of the Company had approved and adopted 'Policy for Determining Material Subsidiaries', which has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelnorth.com/pdf/PolicyforDeterminingMaterialSubsidiarieseffective01042019.pdf>

## **Risk Assessment and Minimization Procedure**

The Company's Board is conscious of the need to periodically undertake the risk assessment, and minimization procedures there-for.

The Board of Directors in its meeting held on 11th August, 2021 placed and approved the Risk Management Policy, pursuant to the provisions of Section 134 of the Companies Act, 2013 to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance Company's competitive advantage. In your company, risks are carefully mapped and a risk management framework is involved. The Company is faced with different types of risks, each of such risks requires different approaches for mitigation. Risk Management Policy lays down the process for identification and mitigation of risks. The policy is available on the website of the Company and can be assessed at [http://www.asianhotelnorth.com/pdf/RiskManagementPolicy11082011\\_8Sep2021.pdf](http://www.asianhotelnorth.com/pdf/RiskManagementPolicy11082011_8Sep2021.pdf)

Further, based on the market capitalization of the Company, the provisions relating to the formation of a Risk Management Committee is not applicable to the Company.

## **Whistle Blower Policy/Vigil Mechanism**

Pursuant to Section 177(9) and 177(10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy with vigil mechanism for the Directors and Employees of the Company to report to the management about the genuine concerns, unethical behaviour, fraud or violation of Company's Code of Conduct, leakage, or suspected leakage of Unpublished Price Sensitive Information with respect to the Company. The Board of Directors of the Company had approved and adopted a 'Whistle Blower Policy' which is uploaded on the

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website of the Company and can be accessed at <https://www.asianhotelsnorth.com/pdf/WhistleBlowerPolicyeffective01042019.pdf>

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

The details of establishment of the above vigil mechanism forms part of the Directors' Report.

## Code on Insider Trading/Fair Disclosures

The Board of Directors of the Company had approved and adopted code of conduct for prohibition of insider trading, namely 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders'.

'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders', inter-alia prohibits dealing in securities of the Company by designated persons who are in possession of unpublished price sensitive information in relation to the Company. The said Code lays down the procedures to be followed, and disclosures to be made while dealing in the securities of the Company. Further, in pursuance of Regulation 9A(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Insider Trading Regulations), the Board has also approved and adopted 'The Policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information' which forms part of the said Code. The Company Secretary monitors the implementation and compliance of the same.

To align the said Code with the extant statutory and regulatory framework, the Board of Directors vide circular resolution approved on 25th December, 2019, amended and adopted the same effective 26th December, 2019, by including the requisite provisions of Chapter IIIA of the Insider Trading Regulations.

'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', as amended, and 'Policy for Determination of Legitimate Purposes', which forms part of the aforesaid Code, is uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/CodeofFairDisclosureeffective01042019.pdf>

## Disclosure on Accounting Treatment/Accounting Policies

There has been no change in the accounting policies and practices save as detailed in Notes to the Financial Statements. Further, there is no accounting matter/transaction wherein a treatment different from that prescribed in the extant Accounting Standards has been followed while preparing the financial statements for the year under review.

## Disclosure on Commodity Price Risk/Foreign Exchange Risk/Hedging Activities

The Company has not entered into any derivative contract during the year under review.

Details of un-hedged foreign currency exposure of the Company are given in Note 39 to the Stand-alone Financial Statements.

## Funds raised through preferential allotment or qualified institutions placement

During the Financial Year 2021-22, no funds were raised through preferential allotment or qualified Institution Placements as specified under Regulation 32(7A) of SEBI Listing Regulations.

## CEO/CFO Certification

A certificate, in accordance with the requirements of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, duly signed by the Managing Director and Executive Director & Chief financial Officer in respect of the financial statements for the year under review was placed before the Board and taken on record and annexed as **Annexure II** to this report.

## Total fees paid/payable to the Statutory Auditors

The details of total fees for all services paid/payable by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, are as follows:

Particulars	Amount (Rupees in Lacs including GST)
Fee for the statutory audit and limited reviews for the financial year 2021-22	21.24
Tax Audit Fee for the financial year 2021-22	2.36
Fee for Certification work, advisory & valuation and XBRL filing during the financial year 2021-22	0.08
Out of pocket expenses during the financial year 2021-22	-
Total	23.68

## Disclosures in relation to the Sexual Harassment of Women at Workplace place:

- No. of Complaints filed during the financial year : Nil
- No. of Complaints disposed of during the financial year : NA
- No. of Complaints pending as at the end of the financial year : NA



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## Credit Ratings

The details of credit ratings obtained by the Company during the year under review are given below:

- Acuite Ratings & Research vide its rating letter dated 5th May, 2021 assigned the Independent Credit Evaluation (ICE) symbol as RP4 based on the restructuring plan submitted by the Company.
- Brickwork Ratings India Private Limited vide letter dated 14th July, 2021, has downgraded the credit rating of the Company from BWR B Negative to BWR D in respect of Term Loan and Cash Credit/Overdraft aggregating Rs. 416.24 crore;

## Certificate from a Company Secretary in Practice

M/s. Chandrasekaran Associates, Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

The aforesaid certificate is enclosed as **Annexure III** to this report.

## Details of non-compliances by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years:

Timely compliance of multifarious and complex regulatory framework is always a challenge. Compliance status of all applicable laws is reviewed by the Board on quarterly basis.

During the period ended on 31st March, 2020, there was delay in filing of Audited Financial Results on both Stock exchanges i.e. BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE) by 12 days and subsequently both the Stock Exchanges imposed the penalty of Rs. 59,000 each, which eventually submitted by the Company. Further during the period ended on 31st March, 2021, there was delay in filing of Audited Financial Results on both Stock exchanges i.e. BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE) by 5 days and subsequently both the Stock Exchanges imposed the penalty of Rs. 29,500 each, which eventually submitted by the Company.

The above mentioned penalties were imposed on the Company because it could not finalize the financial results of the year 2020-21 and 2021-22 within the stipulated time due to disruption of work caused by the prolonged lock-down enforced to contain the prevailing global pandemic COVID 19. Even after the lock-down was relaxed, restrictions on movement and non-availability of public transportation severally impacted the attendance. Moreover, due to the similar reasons, the Auditors' offices were also sparsely operational for a long time due to which audit was also delayed.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by SEBI, or any other statutory authority.

Further, the Company has generally been in compliance with corporate governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations except few cases of non-compliance which has been mentioned in the Directors Report along with management's reply on the same.

## SHAREHOLDERS' INFORMATION

### Profile of Directors seeking appointment/re-appointment

Mr. Akhilesh Bhuwarka (DIN: 02764273), a Non- Executive and Promoter Director retires by rotation at the ensuing annual general meeting and being eligible, is proposed to be re-appointed.

Mr. Amritesh Jatia (DIN: 02781300), who was appointed as Managing Director under Sections 196, 197 and 203 of the Companies Act, 2013 (the Act) on 23rd October, 2021 for a term of Five years beginning 23rd October, 2021 to 22nd October, 2026, subject to approval of shareholders not liable to retire by rotation, and without remuneration. It is proposed to seek approval of the shareholders for his appointment.

Mr. Ashish Dhanuka (DIN: 07220876) who was appointed as an Additional Director in pursuance of Section 161(1) of the Act holds office up to the date of ensuing AGM, is proposed to be appointed as Director, liable to retire by rotation. It is proposed to seek approval of the shareholders for his appointment.

Mr. Ashish Dhanuka (DIN: 07220876) who was appointed as Whole Time Director in pursuance of Sections 196, 197, 198 and other applicable provisions of the Act for a period of three years effective 23rd October, 2021 to 22nd October, 2024. It is proposed to seek approval of the shareholders for his appointment.

Ms. Preeti Gandhi (DIN: 08552404), who was appointed as a Non-Executive Independent Woman Director Under Section 149 of the Act on 13th September, 2020, is proposed to be re-appointed as Non-Executive Independent Woman Director for a continuous period of three year effective 13th September 2022 pursuant to Section 149(6) of the Act. It is proposed to seek approval of the shareholders for her re-appointment.

Mr. Sanjeev Agarwala (DIN: 09342150), who was appointed as an Additional Director of the Company (categorized as an Independent Non-Executive Director of the Company with effect from 4th October, 2021 in pursuance of Section 161(1) read with Section 149(6) of the Act, is proposed to be appointed as an Independent Non-Executive Director for a continuous period of two years effective 4th October, 2021. It is proposed to seek approval of the shareholder for his appointment.

# ASIAN HOTELS (NORTH) LIMITED

Ms. Mita Namonath Jha (DIN: 07258314), who was appointed as an Additional Director of the Company, categorized as an Independent Non-Executive Director of the Company with effect from 7th July, 2022 in pursuance of Section 161(1) read with Section 149(6) of the Act is proposed to be appointed as Independent Non-Executive Director for a period of one year effective 7th July, 2022. It is proposed to seek approval of the shareholder for her appointment.

Detailed profiles of the above named Director seeking appointment/ re-appointment is given on page no. 15-17, as part of Notice convening the forthcoming annual general meeting in compliance with Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2).

## Means of Communication

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

## Annual General Meeting

Day, Date & Time: Wednesday, the 28th September, 2022 at 10.30 A.M

Venue: The meeting shall be held through video conferencing or other audio visual means and the Company's registered office at Bhikaiji Cama Place, M.G. Marg, New Delhi – 110 066 shall be the deemed venue of the meeting

## Financial Year/Calendar

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

The calendar for the current financial year 2022-23 is proposed as under:

Financial Reporting for the quarter ending 30th June, 2022	On 9th August, 2022
Financial Reporting for the half year ending 30th September, 2022	On or before 14th November, 2022
Financial Reporting for the third quarter ending 31st December, 2022	On or before 14th February, 2023
Financial Reporting for the year ending 31st March, 2023	On or before 30th May, 2023

Book Closure	From Thursday, the 22nd September, 2022 to Wednesday, the 28th September, 2022 (inclusive of both days)
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**Dividend Payment Date** No dividend is proposed for the year under review.

## Listing on Stock Exchanges

### BSE Limited

Phiroz Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001; and

### The National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

The Company has paid up to date Annual Listing Fees to the respective Stock Exchanges.

During the year under review, there was no instance of suspension of trading in the Company's shares by the stock exchanges.

## Scrip Code/Scrip ID

BSE - 500023/ASIANHOTNR  
NSE - ASIANHOTNR

## International Securities Identification Number (ISIN) for Equity shares

INE 363A01022

# ASIAN HOTELS (NORTH) LIMITED

## Stock Market Data

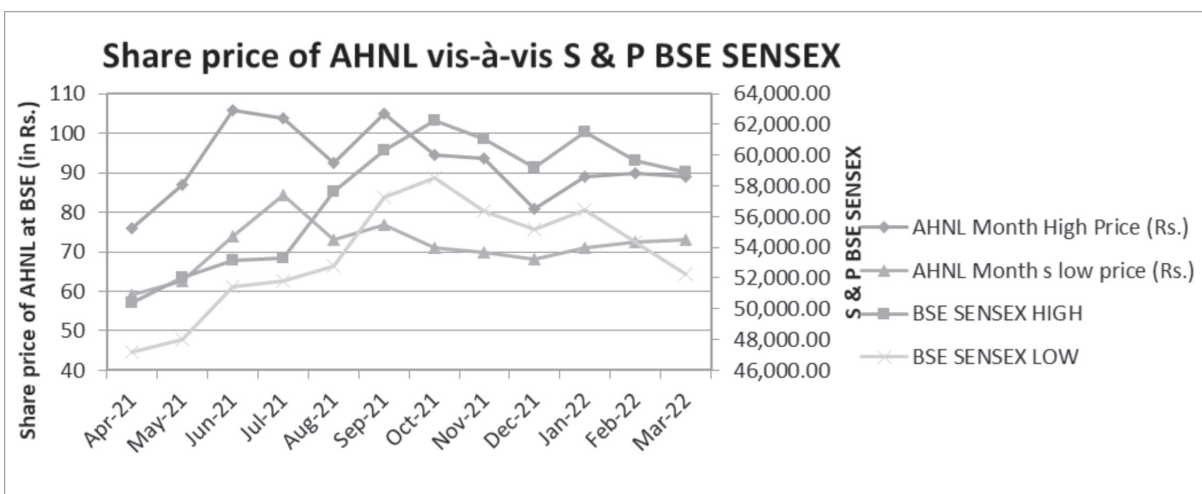
The monthly high and low quotations as well as the volume of shares traded at BSE Limited and The National Stock Exchange of India Limited are as follows:

Month	BSE Limited			The National Stock Exchange of India Limited		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
Apr 2021	75.90	59.00	26790	69.90	58.30	229795
May 2021	87.00	62.55	161799	83.70	63.60	463933
Jun 2021	105.80	74.00	256966	105.00	74.15	1919652
Jul 2021	103.80	84.30	111736	98.70	84.15	609713
Aug 2021	92.50	73.05	18552	94.40	72.30	183998
Sep 2021	105.00	76.90	160594	104.00	77.85	1145731
Oct 2021	94.40	71.15	66385	93.80	78.80	372496
Nov 2021	93.50	70.00	63567	86.80	70.85	217921
Dec 2021	81.00	68.00	26402	78.90	69.00	190622
Jan 2022	89.00	70.90	134121	90.00	71.10	797616
Feb 2022	89.95	72.35	161961	89.80	73.00	666101
Mar 2022	88.90	73.00	165240	88.00	73.65	481736

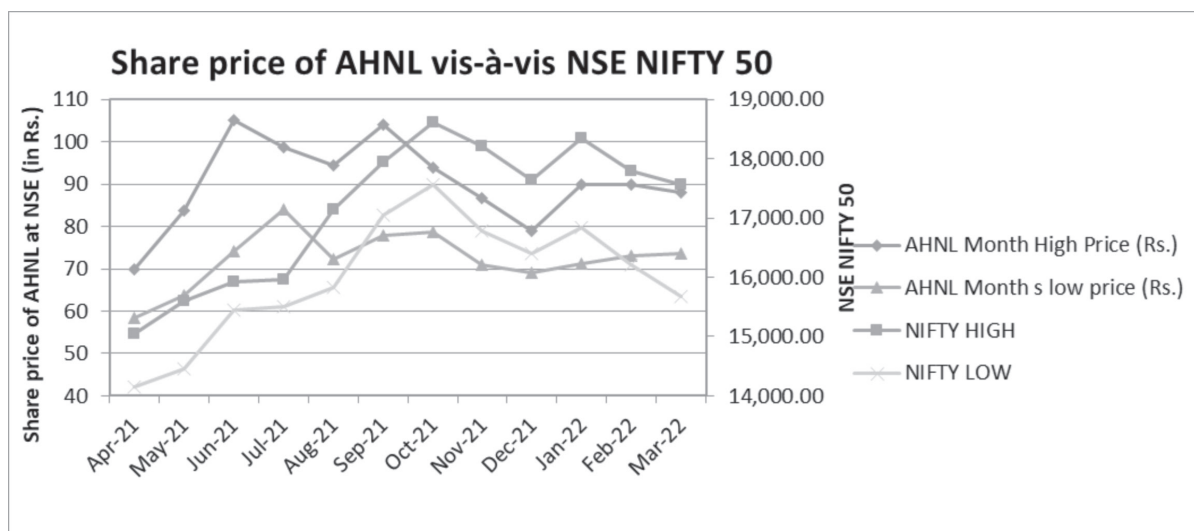
Source: www.bseindia.com & www.nseindia.com

## Share Price performance in comparison to S & P BSE SENSEX & NSE NIFTY 50

MONTH	S & P BSE SENSEX		NSE NIFTY 50	
	HIGH	LOW	HIGH	LOW
Apr 2021	50375.77	47204.50	15044.35	14151.4
May 2021	52013.22	48028.07	15606.35	14461.50
Jun 2021	53126.73	51450.58	15915.65	15450.90
Jul 2021	53290.81	51802.73	15962.25	15513.45
Aug 2021	57625.26	52804.08	17153.50	15834.65
Sep 2021	60333.00	57263.90	17947.65	17055.05
Oct 2021	62245.43	58551.14	18604.45	17557.15
Nov 2021	61036.56	56382.93	18210.15	16782.40
Dec 2021	59203.37	55132.68	17639.95	16410.20
Jan 2022	61475.15	56409.63	18350.95	16836.80
Feb 2022	59618.51	54383.20	17794.60	16203.25
Mar 2022	58890.92	52260.82	17559.80	15671.45



# ASIAN HOTELS (NORTH) LIMITED



## Distribution of shareholders

Number of equity shares held	As on 31st March, 2022				As on 31st March, 2021			
	No. of Shareholders	% of Total Shareholders	Number of shares held	% Share holding	No. of Shareholders	% of Total Shareholders	No. of shares held	% Share holding
Up-to 500	12264	95.79	751168	3.86	11397	96.18	660153	3.39
501 – 1000	293	2.29	219970	1.13	243	2.05	179567	0.92
1001 – 2000	115	0.90	164242	0.84	92	0.78	131758	0.68
2001 – 3000	35	0.27	88854	0.46	31	0.26	79821	0.41
3001 – 4000	15	0.12	52495	0.27	17	0.14	58638	0.30
4001 – 5000	9	0.07	41599	0.21	7	0.06	32176	0.16
5001 – 10000	18	0.14	144344	0.74	14	0.12	112353	0.58
10001 – above	54	0.42	17990557	92.48	49	0.41	18198763	93.55
<b>TOTAL</b>	<b>12803</b>	<b>100.00</b>	<b>19453229</b>	<b>100.00</b>	<b>11850</b>	<b>100</b>	<b>19453229</b>	<b>100</b>

## Category wise shareholding

CATEGORY	As on 31st March, 2022		As on 31st March, 2021	
	No. of shares held	% of shareholding	No. of shares held	% of shareholding
<b>A. Promoters Shareholding</b>				
- Indian	31600	0.16	1449591	7.45
- Foreign	9830025	50.53	9830025	50.53
<b>Total Promoters shareholding</b>	<b>9861625</b>	<b>50.69</b>	<b>11279616</b>	<b>57.98</b>
<b>B. Public Shareholding</b>				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	1428988	7.34	25997	0.13
- FIIs	214	0.00	1714	0.01
- NRIs -repatriable basis	1394800	7.17	1406543	7.23
- non-repatriable basis	98064	0.50	91991	0.47
- Bodies Corporate (Domestic)	2356059	12.11	2447596	12.58
- Bodies Corporate (Foreign)	690802	3.55	690802	3.55
- Individuals (Indian Public)	3447146	17.72	3358208	17.26
- Clearing Members	13063	0.02	8037	0.04
Investor Education and Protection Fund	162468	0.84	142725	0.73
<b>Total Public shareholding</b>	<b>9591604</b>	<b>49.30</b>	<b>8173613</b>	<b>42.02</b>
<b>GRAND TOTAL*</b>	<b>19453229</b>	<b>100</b>	<b>19453229</b>	<b>100.00</b>

\*There are no outstanding warrants/depository receipts/convertible instruments which may have impact on the equity.

# ASIAN HOTELS (NORTH) LIMITED

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## Share Transfer System

SEBI has mandated that, effective from 01 April 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

During the year, the Company had obtained, on yearly basis, a certificate, from a Company Secretary in Practice, certifying that the Company has not received any request relating to registration of share transfer during FY 2021-22. The Company has also not received request for consolidation, sub-division, renewal, exchange or endorsement as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges. Trading in equity shares of the Company is permitted only in dematerialised form. Transfer of dematerialised shares is done through the depositories with no involvement of the Company.

## Share Transfer Agent

KFin Technologies Limited  
Selenium Tower B, Plot Number 31 & 32  
Financial District, Nanakramguda  
Serilingampally Mandal, Hyderabad – 500 032  
Toll free number 1- 800-309-4001

<https://www.kfintech.com> and / or <https://ris.kfintech.com/> e-mail : [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

## Dematerialization of Shares/Liquidity

19320471 shares (equivalent to 99.32%) of the total outstanding shares of the Company are held in dematerialized form as on 31st March, 2022. During the year under review, the Company's shares were frequently traded in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

## Dividend Information

The Company keeps uploading regularly, on its website as also on the website of the Ministry of Corporate Affairs, Government of India (MCA), complete details of unpaid/unclaimed dividends from time to time. Further, in an endeavor to serve its shareholders, the Company has been notifying the shareholders about the dividends which remain unpaid/unclaimed, by sending them individual reminders from time to time.

Any amount described under Section 125(2) of the Act, including dividend, which remains unpaid/unclaimed for a period of seven years from the date of transfer to unclaimed dividend account is required to be transferred by the Company in accordance with the provisions of Section 124(5) of the Act, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, during the year under review, the unpaid/unclaimed dividend for the financial year 2013-14 was transferred to the IEPF. Further, Section 124(6) of the Act requires that all shares in respect of which dividend has been unpaid/unclaimed for a period of seven consecutive years shall also be transferred to IEPF Authority.

Accordingly, during the year under review, the unpaid/unclaimed dividend for the financial year 2013-14 was transferred to the IEPF Authority. Moreover, 19786 equity shares, held by 365 beneficial owners/shareholders of the Company, in respect of which dividend for the relevant financial year ended 31st March, 2014 remained unpaid/unclaimed consecutively for a period of seven years up-to 31st October, 2021, were also transferred to IEPF Authority.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed, to the Company along with requisite documents enumerated in the Form No. IEPF-5.

No dividend has been paid by the Company for the FY 2014-15 onwards

**Loans and Advances in the nature of loan by the Company and/or its subsidiaries to firms/companies in which directors are interested:** Nil

## Plant Location

The Company primarily operates in one business segment i.e. Hospitality/Hotel Operations, and presently owns only one five-star deluxe hotel, namely

### HOTEL HYATT REGENCY DELHI

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

## Address for Correspondence

The investors may forward their queries to the Company at its registered office address given below. However, queries pertaining to shareholding, transfer, transmission, dividend etc., may be addressed directly to the Registrar & Transfer Agent (details of which are mentioned above for your reference).

# ASIAN HOTELS (NORTH) LIMITED

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## Registered Office

### ASIAN HOTELS (NORTH) LIMITED

Bhikaiji Cama Place, M. G. Marg,

New Delhi – 110 066

Telephone No.: 91 11 66771225-1226

Fax No.: 91 11 26791033

Email Id.: investorrelations@ahlnorth.com

## Details of Compliance with Mandatory Requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

## Outstanding GDR/ADR

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2022, the Company does not have any outstanding GDRs / ADRs/ Warrants or any convertible instruments

<b>Adoption of Discretionary Requirements as specified in sub-regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations</b>	<p>The Company had an Executive Chairperson namely Mr. Shiv Kumar Jatia who was Chairman &amp; Managing Director. Mr. Shiv Kumar Jatia resigned from the office of Chairman &amp; Managing Director and office of Director of the Company effective 21st October, 2021. After resignation of Mr. Shiv Kumar Jatia, the Company does not have a regular Chairperson. Mr. Amrithesh Jatia has been appointed as the Managing Director of the Company effective 23rd October, 2021.</p> <p>The Company has so far not implemented the non-mandatory requirement of sending half yearly financial performance including summary of significant events to each household of shareholders, as specified in sub regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations.</p> <p>The Company is conscious of the qualified opinion expressed by its Secretarial Auditors, and is making concerted efforts to correct the position. Necessary submissions have already been made in the Stock Exchanges.</p> <p>The Internal Auditors of the Company report directly to the Audit Committee and present their reports at its meetings.</p>
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# ASIAN HOTELS (NORTH) LIMITED

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## ANNEXURE I TO THE CORPORATE GOVERNANCE REPORT

Date: 9th August, 2022

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

**Subject: Code of Conduct – Declaration under Para D of Schedule V and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)**

Dear Sirs/Madam,

This is to certify that pursuant to Para D of Schedule V and other applicable regulations of the Listing Regulations, the Board of Directors has adopted a Code of Conduct for its members and senior management personnel and that all concerned have affirmed having complied with the said Code of Conduct for the financial year ended 31st March, 2022.

**AMRITESH JATIA**  
MANAGING DIRECTOR  
DIN: 02781300

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## ANNEXURE II TO THE CORPORATE GOVERNANCE REPORT

### CEO/CFO CERTIFICATION AS REQUIRED PURSUANT TO REGULATION 17(8) & PART B OF SCHEDULE II TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

**The Board of Directors**  
Asian Hotels (North) Limited  
New Delhi

This is to certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year 2021-22 (1st April, 2021 to 31st March, 2022) and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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, deficiencies in the design or operation of such internal controls, wherever there were any and of which we were aware of, and the steps we have taken or propose to take to rectify the same.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Amritesh Jatia**  
Managing Director  
DIN: 02781300

**Ashish Dhanuka**  
Executive Director & Chief Financial Officer  
DIN: 07220876

Place: New Delhi  
Date: 28th May, 2022

# ASIAN HOTELS (NORTH) LIMITED

## ANNEXURE III TO THE CORPORATE GOVERNANCE REPORT

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
**ASIAN HOTELS (NORTH) LIMITED**  
Bhikaji Cama Place  
M. G. Marg  
New Delhi 110066

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of 'Asian Hotels (North) Limited' having CIN: L55101DL1980PLC011037 and having registered office at Bhikaji Cama Place, M. G. Marg, New Delhi 110066 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of Directors	DIN	Date of appointment in Company
1	Mr. Amrithesh Jatia	02781300	05/12/2016
2	Mr. Akhilesh Bhuwalka	02764273	18/06/2020
3	Ms. Preeti Gandhi	08552404	13/09/2020
4	Mr. Sanjeev Agarwala	09342150	04/10/2021
5	Mr. Ashish Dhanuka	07220876	23/10/2021
6	Mr. Rajeev Uberoi	01731829	11/08/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 **Chandrasekaran Associates**  
Company Secretaries  
FRN: P1988DE002500  
Peer Review Certificate No.: 1428/2021

**Shashikant Tiwari**  
Partner  
Membership No. F11919  
Certificate of Practice No. 13050

UDIN: F011919D000737226  
Date: 9th August, 2022  
Place: Delhi

#### Note:

Due to restricted movement amid COVID-19 pandemic, for the purpose of issuing the Certificate of Non-Disqualification of Directors, we have examined the Secretarial Records including Minutes, Documents, Reports and other records etc. and some of them was received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.

# ASIAN HOTELS (NORTH) LIMITED

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## ANNEXURE 'F' FORMING PART OF THE DIRECTORS' REPORT

### AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of  
Asian Hotels (North) Limited,

We have examined the compliance of conditions of Corporate Governance by **Asian Hotels (North) Limited**, for the year ended 31st March, 2022 as per the Regulations 17 to 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and amendments thereof.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and 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, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (incl. any amendment thereof) read with Uniform Listing Agreement executed by the Company with the Stock Exchanges.

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

**For V.V. Kale and Company,**  
Chartered Accountants  
Firm Registration Number: 000897N

**Varad V. Kale**  
(Partner)  
M.No: 535462

Place: New Delhi  
Date: 9th August, 2022  
UDIN: 22535462AOPHSA9051

# ASIAN HOTELS (NORTH) LIMITED

## ANNEXURE 'G' FORMING PART OF THE DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### 1. CSR Policy - Brief outline and Overview

The Board of Directors, on recommendation of the CSR Committee, has formulated a CSR Policy. As per the policy statement, an action plan in pursuance of Policy has been formulated, which shall include the following:

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in schedule VII of the Act;
- The manner of execution of such projects or programmes as specified in the said Rules;
- The modalities of utilization of funds and implementation schedules for the projects or programmes.
- Monitoring and reporting mechanism for the projects or programmes; and
- Details of need and impact assessment, if any, for the projects undertaken by the Company.

The brief outline of the Company's CSR Policy forms part of the Directors' Report and the Company's CSR Policy is uploaded on the website of the Company under the web-link [https://www.asianhotelsnorth.com/pdf/CSR\\_Policy\\_effective\\_01.04.2021.pdf](https://www.asianhotelsnorth.com/pdf/CSR_Policy_effective_01.04.2021.pdf)

#### 2. Composition of the CSR and Sustainability Committee as on 31st March, 2022:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Amritesh Jatia (Chairman of the Committee)	Managing Director	1	0
2	Dr. Rajeev Uberoi*	Independent Non-Executive Director		0
3	Mr. Sanjeev Agarwala	Independent Non-Executive Director		0
4	Ms. Preeti Gandhi	Independent Non-Executive Director		1

\*Resigned from the office of Director effective 10th April 2022

#### 3. Provide the web-link where composition of CSR and Sustainability Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: [http://www.asianhotelsnorth.com/pdf/CSR\\_Policy\\_effective\\_01.04.2021.pdf](http://www.asianhotelsnorth.com/pdf/CSR_Policy_effective_01.04.2021.pdf)

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable.

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
Not Applicable			

#### 6. Average net profit of the company as per section 135(5) :

Not Applicable since the average net profit for the last three financial years (preceding the financial year under review) is negative.

#### 7. (a) Two percent of the average net profits of the Company as per Section 135(5) :

Not Applicable

#### (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years :

Not Applicable

#### (c) Amount required to be set off for the financial year, if any :

Not Applicable

#### (d) Total CSR obligation for the financial year (7a+7b-7c) :

Not Applicable

# ASIAN HOTELS (NORTH) LIMITED

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (in Rs)	Amount Unspent (in Rs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Not Applicable	Not Applicable				

## (b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4		5	6	7	8	9	10	11	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)		Location of the project	Project duration	Amount allocated for the project (in Rs)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District							Name	CSR Registration number
Not Applicable												

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount Spent for the Project (In Rs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Yes/No)	
				State	District			Name	CSR Registration No
Not Applicable									

(d) Amount spent in Administrative Overheads : Not Applicable

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Not Applicable

(g) Excess amount for set off, if any : Not Applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Not Applicable
(ii)	Total amount spent for the Financial Year	Not Applicable
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial Years [(iii)-(iv)]	Not Applicable

## 9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs)	Amount spent in the reporting Financial Year (in Rs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs)
				Name of the Fund	Amount (in Rs)	Date of transfer	
Not Applicable							

# ASIAN HOTELS (NORTH) LIMITED

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs)	Status of the project - Completed/ Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s) : N.A
- (b) Amount of CSR spent for creation or acquisition of capital asset : N.A
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N.A
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : N.A

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not applicable

**For and on behalf of the Board**

**Amritesh Jatia**

Managing Director

Also as Chairman, CSR Committee

DIN: 02781300

Place: New Delhi  
Dated: 09.08.2022



# ASIAN HOTELS (NORTH) LIMITED

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## Independent Auditor's Report

To the Members of Asian Hotels (North) Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Asian Hotels (North) Limited ("the Company"), which comprises of the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs as at 31 March 2022, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

##### A. Contingent Liabilities

We draw attention to Note 34 which describes the uncertainty related to the outcome of certain disputes and law-suits filed against the Company. The impact (if any) of these disputes/law-suits on the standalone financial statements of the Company could not be ascertained.

##### B. Implications owing to COVID-19 Pandemic

We draw attention to Note 40 with reference to implications of Covid-19 pandemic. 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.

##### C. One Time Restructuring & Status of Repayments

We draw attention to Note 18 to the Financial Statements relating to long term borrowings. 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 No.s) entered into a Inter-Creditor Agreement on December 09, 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 08, 2021.

Under 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 18 to the Financial Statements, 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.

##### D. Current Status of Business Operations

We draw attention to Note 45 to the Financial Statements relating to the 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.

# ASIAN HOTELS (NORTH) LIMITED

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 45 to the Financial Statements.

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 "A" to "D" above.

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

### 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 8 to the Financial Statements.)</b></p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- 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.</li> </ul> <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> <ul style="list-style-type: none"> <li>(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;</li> <li>(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;</li> <li>(iii) Comparing the Company's performance for the year with the approved budget 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) 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;</li> <li>(vi) Testing the assumptions used by analyzing the impact on taxable profit using different growth rates and profit margins;</li> <li>(vii) Reviewing the adequacy of disclosures made in the financial statements with regard to deferred taxes.</li> </ul> <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>

# ASIAN HOTELS (NORTH) LIMITED

<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>- Due to 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 and alongwith continued improvement in business operations will be critical in its continuation as a Going Concern.</li> </ul> <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>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) Reviewing actions undertaken by management to monetize CRE Assets;</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>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, 2022. 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

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.

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

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

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

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

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

## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

# ASIAN HOTELS (NORTH) LIMITED

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

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

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

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

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

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

(A) As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

# ASIAN HOTELS (NORTH) LIMITED

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- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact, wherever necessary, of pending litigations on its financial position in its financial statements - Refer Note 34 to the financial statements;
  - ii. the Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Management has represented that, during the financial year ending March 31, 2022, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - v. The Management has represented, that, during the financial year ending March 31, 2022, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
  - vii. The company has not declared or paid any dividend during the financial year ended 31st March, 2022 and thus the reporting requirement as per Rule 11(f) is not applicable.

- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

**Vijay V. Kale**  
Partner  
Membership No: 080821  
UDIN: 22080821AKQCOU1297

**Place: New Delhi**  
**Date: 28th May, 2022**

# ASIAN HOTELS (NORTH) LIMITED

## Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of Asian Hotels (North) Limited ("the Company") on the standalone financial statements for the year ended 31st March 2022, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the information and explanation given to us, physical verification of fixed assets has been carried out in terms of the phased program of verification adopted by the company and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) As per the information and explanation given to us the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year and accordingly, Paragraph 3(i)(d) is not applicable to the Company.
- (e) As per the information and explanations given to us, no proceedings have been initiated and / or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder and accordingly, Paragraph 3(i)(e) is not applicable to the Company.
- (ii) (a) As per the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate. Discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (b) As per the information and explanation given to us, company has outstanding working capital limits in excess of five crore rupees during the financial year in aggregate, from banks or financial institutions on the basis of security of current assets during the year but as per information provided to us no quarterly returns or statements filed with banks from July to March, 2022.
- (iii) As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and accordingly, Paragraph 3(iii)(a) to Paragraph 3(iii)(f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made & guarantees issued by company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, GST, cess and other material statutory dues have been *generally delayed* during the year depositing by the Company with appropriate authorities.

According to the information and explanations given to us, in our opinion, no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Goods & Services Tax, Custom Duty, Cess and other statutory dues applicable to it were in arrears as on March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and records of the company examined by us, the following dues of income tax and duty of excise as at March 31, 2022 which have not been deposited by the Company on account of any disputes.

Nature of Statute	Year to which it relates	Amount unpaid (excluding interest) (Rs. In Lakhs)	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	2002-2007	214.62 Lakhs	Hon'ble Supreme Court of India
Income tax Act, 1961	2015-16	1307.32 Lakhs	Income Tax Appellate Tribunal
Income tax Act, 1961	2017-18	21.88 Lakhs	Commissioner of Income Tax (Appeals)



# ASIAN HOTELS (NORTH) LIMITED

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- (viii) *According to the information and explanations given to us there are No transactions which have been disclosed as income under the Income Tax Act, 1961 which were previously unrecorded in the books.*
- (ix) (a) *According to the information and explanations given to us and based on our examination of the records of the Company, the Company has been unable to repay installment (in line with the schedule as per the OTR Sanction letter issued by the respective banks) due to lenders on March 31, 2022 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 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.*
- (b) According to the information and explanations given to us, the Company is not declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, no term loans were raised by the Company (other than funded interest on Term (FITLs) which doesn't result in actual cash inflow but funds the interest liability by way of additional term loan) during the period and accordingly, Paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and based on our examination, the Company has not raised short term loans utilized for long term purpose.
- (e) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any loans on account of or to meet the obligation of its subsidiaries during the year and accordingly, Paragraph 3(ix)(e) of the Order is not applicable to the Company. As explained to us, the Company did not have any joint venture and associates during the year.
- (f) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has been sanctioned Funded Interest Term Loans (FITLs) as per OTR Scheme implemented by banks during the year. FITLs carry a pledge of securities held by the Company in foreign subsidiaries. The Company has not defaulted in repayment of FITL during the year. As explained to us, the Company did not have any joint venture and associates during the year.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further offer (including debt instruments) during the period and accordingly, Paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not raised moneys by way of preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. and accordingly, Paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- (b) No report has been filed by the auditors under sub-section (12) of section 143 of the Companies Act with the Central Government during the period.
- (c) No whistle blower complaints were reported during the period.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii)(a) to paragraph 3(xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has an internal audit system commensurate with the size and nature of its business.
- (b) Internal Audit report for the period from April to December, 2021 are received and considered by us but the report for Quarter -4 (i.e. January to March, 2022) is not issued by the internal auditor as on the date of this report. As per the management, the report is in discussion stage.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered as required, under section 45-IA of the Reserve Bank of India Act 1934.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred cash loss of Rs. 9811.88 Lakhs during the year ending March 31, 2022 & Rs. 9858.40 lakhs during year ended March, 31 2021. The computation of cash profits / (loss) for year ending March 31, 2022 and March 31, 2021 is given below:

# ASIAN HOTELS (NORTH) LIMITED

(Rs. in lakhs)

Particulars	FY 2021-22	FY 2020-21
Profit/(Loss) before tax	(12481.15)	(69512.81)
Add: Depreciation & Amortization Expenses	2510.95	1681.97
Add: Provision for impairment of Investment in subsidiary	Nil	56914.72
Less : Taxes (paid)/ Refund as per Cashflow Statement	158.32	1057.72
Cash Profit/(Loss)	(9811.88)	(9858.40)

(xviii) There has been no resignation of the Statutory Auditors during the period.

(xix) *On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. The factors specified in the Emphasis of Matter Paragraphs and Key Audit Matters concerning to state of business operations and the impact on Going Concern are crucial to be able to meet future liabilities / obligations.*

(xx) The provisions regarding Corporate Social Responsibility are not applicable on the Company since the profits are below the applicability threshold. Accordingly, the provisions of Paragraph 3(xx)(a) and Paragraph 3(xx)(b) of the Order are not applicable on the Company.

(xxi) Since this report is issued on the standalone financial statements, hence, Paragraph 3(xxi) of the order is not applicable on the Company.

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

**Vijay V. Kale**  
Partner  
Membership No: 080821  
UDIN: 22080821AKQCOU1297

**Place: New Delhi**  
**Date: 28th May, 2022**

# ASIAN HOTELS (NORTH) LIMITED

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## Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Asian Hotels (North) Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For, V V Kale & Co

Chartered Accountants  
Firm Reg. Number: 000897N

#### Vijay V. Kale

Partner  
Membership No: 080821  
UDIN: 22080821AKQCOU1297

Place: New Delhi

Date: 28th May, 2022

# ASIAN HOTELS (NORTH) LIMITED

## STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2022

	Note No.	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	4	1,47,875.17	1,50,322.64
(b) Capital Work in Progress	4	99.15	148.60
(c) Financial Assets			
(i) Investments	5	-	142.54
(ii) Loans	6	17.69	29.10
(iii) Others	7	385.98	405.05
(d) Deferred Tax Assets (Net)	8	3,857.37	3,857.37
(e) Other Non-Current Assets	9	532.30	517.13
		<b>1,52,767.66</b>	<b>1,55,422.43</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	10	573.24	581.58
(b) Financial Assets			
(i) Trade Receivables	11	1,100.59	1,429.89
(ii) Cash and Cash Equivalents	12	141.04	97.53
(iii) Bank Balance other than (ii) above	13	512.24	71.37
(iv) Others	14	308.43	286.73
(c) Other Current Assets	15	191.80	193.96
		<b>2,827.34</b>	<b>2,661.06</b>
<b>TOTAL ASSETS</b>		<b>1,55,595.00</b>	<b>1,58,083.49</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	16	1,945.32	1,945.32
(b) Other Equity	17	22,767.87	35,207.61
		<b>24,713.19</b>	<b>37,152.93</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	87,259.73	84,684.58
(ii) Other Financial Liabilities	19	78.48	1,525.47
(b) Provisions	20	308.25	336.57
		<b>87,646.46</b>	<b>86,546.62</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	21	19,516.78	11,199.00
(ii) Trade Payables	22		
(A) total outstanding dues of micro enterprises and small enterprises; and		154.31	169.55
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		9,317.58	9,167.25
(iii) Other Financial Liabilities	23	3,907.64	3,007.13
(b) Other Current Liabilities	24	10,282.83	10,503.17
(c) Provisions	25	56.21	337.84
		<b>43,235.35</b>	<b>34,383.94</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,55,595.00</b>	<b>1,58,083.49</b>

Corporate Information, Basis of Preparation & Significant Accounting Policies

1-3

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For V V KALE & CO.

Chartered Accountants  
Firm Registration No. 000897N

Vijay V. Kale

Partner  
Membership Number: 080821

AMRITESH JATIA

Managing  
Director  
DIN: 02781300

ASHISH DHANUKA

Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: New Delhi

Dated: 28th May, 2022

UDIN: 22080821AKQCOU1297

# ASIAN HOTELS (NORTH) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

	Note No.	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>INCOME</b>			
Revenue from operations	26	13,052.54	7,258.30
Other income	27	409.12	186.67
<b>TOTAL INCOME</b>		<b>13,461.66</b>	<b>7,444.97</b>
<b>EXPENSES</b>			
Consumption of provisions, beverages, smokes and others	28	2,158.71	1,135.54
Employee benefits expense	29	4,075.57	3,603.90
Finance Costs	30	10,979.27	9,105.43
Depreciation and amortization expenses	4	2,510.95	1,681.97
Other expenses	31	6,218.31	4,516.23
<b>TOTAL EXPENSES</b>		<b>25,942.81</b>	<b>20,043.07</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(12,481.15)</b>	<b>(12,598.10)</b>
<b>Exceptional items</b>			
Provision for impairment of Investment in subsidiary	33	-	56,914.72
<b>Profit/(Loss) before tax</b>		<b>(12,481.15)</b>	<b>(69,512.81)</b>
<b>Tax items</b>			
Current tax		-	-
Earlier years tax provisions (written back)		-	(0.77)
Deferred tax asset / (liability)		-	-
Total tax items		-	(0.77)
<b>Profit/(Loss) for the year</b>		<b>(12,481.15)</b>	<b>(69,513.58)</b>
<b>Other Comprehensive Income / (Loss)</b>			
Items that will not be re-classified to Profit or Loss			
Re-measurement gains/ (losses) on post employment benefit plans		41.41	65.89
Changes in revaluation surplus		-	42,289.08
Other Comprehensive Income for the year / (Loss)		41.41	42,354.97
Total Comprehensive Income/ (Loss) for the year		<b>(12,439.74)</b>	<b>(27,158.61)</b>
Earning Per Equity Share (Basic and Diluted) (In Rs.)	32	<b>(64.16)</b>	<b>(357.34)</b>
Corporate Information, Basis of Preparation & Significant Accounting Policies	1-3		

The accompanying notes 1 to 46 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

**For V V KALE & CO.**  
Chartered Accountants  
Firm Registration No. 000897N

**Vijay V. Kale**  
Partner  
Membership Number: 080821

**AMRITESH JATIA**  
Managing  
Director  
DIN: 02781300

**ASHISH DHANUKA**  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: New Delhi  
Dated: 28th May, 2022  
UDIN: 22080821AKQCOU1297

# ASIAN HOTELS (NORTH) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	2021-22 Rs. In Lakhs	2020-21 Rs. In Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/ (loss) Before Tax</b>	<b>(12,481.15)</b>	<b>(69,512.81)</b>
Adjustments for:		
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 of Investment in subsidiary	-	56,914.72
Net unrealized (gain)/loss on foreign currency transaction and translation (relating to other heads)	-	303.90
Bad debts / advances 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)
Non-operating Income	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>681.05</b>	<b>(1,565.77)</b>
Adjustments for changes in working capital :		
(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 (paid)/refund received	158.32	1,057.72
<b>Net Cashflow from Operating Activities</b>	<b>1,470.04</b>	<b>4,660.48</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	63.01
Sale of Investment in shares	142.54	-
<b>Net Cashflow from Investing Activities</b>	<b>(312.66)</b>	<b>(105.93)</b>



# ASIAN HOTELS (NORTH) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	2021-22 Rs. In Lakhs	2020-21 Rs. In Lakhs
<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)	(1,280.14)
<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>(96.09)</b>
<b>Cash and bank balances at the beginning of the year</b>	<b>97.53</b>	<b>193.63</b>
<b>Cash and bank balances at the end of the year</b>	<b>141.04</b>	<b>97.53</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 confirm 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	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
Cheque on hand	-	-
	<b>141.04</b>	<b>97.53</b>

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

**For V V KALE & CO.**  
Chartered Accountants  
Firm Registration No. 000897N

**Vijay V. Kale**  
Partner  
Membership Number: 080821

**AMRITESH JATIA**  
Managing  
Director  
DIN: 02781300

**ASHISH DHANUKA**  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: New Delhi  
Dated: 28th May, 2022  
UDIN: 22080821AKQCOU1297

# ASIAN HOTELS (NORTH) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

### (A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2022

(Rs. In Lakhs)

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2022
1,945.32	-	-	-	1,945.32

For the year ended 31st March, 2021

(Rs. In Lakhs)

Balance as at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2021
1,945.32	-	-	-	1,945.32

### (B) OTHER EQUITY

For the year ended 31st March, 2022

Particulars	Reserves and Surplus							Total Equity
	Capital Reserve	General Reserve	Capital Redemption Reserve	Security Premium	Retained Earnings	Revaluation Reserve	FVOCI Reserve	
Balance as at 1st April, 2021	1.41	8,863.57	990.00	32,994.83	(50,559.80)	42,289.08	628.52	35,207.61
Profit/(Loss) for the year	-	-	-	-	(12,481.15)	-	-	(12,481.15)
Transfer from / to*	-	-	-	-	940.83	(940.83)	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-	-	41.41	41.41
<b>Balance as at 31st March, 2022</b>	<b>1.41</b>	<b>8,863.57</b>	<b>990.00</b>	<b>32,994.83</b>	<b>(62,100.12)</b>	<b>41,348.25</b>	<b>669.93</b>	<b>22,767.87</b>

\*As per para 41 of Ind AS 16 Property, Plant & Equipment, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from Revaluation Reserve to Retained Earnings directly.

For the year ended 31st March, 2021

Particulars	Reserves and Surplus							Total Equity
	Capital Reserve	General Reserve	Capital Redemption Reserve	Security Premium Account	Retained Earnings	Revaluation Reserve	FVOCI Reserve	
Balance as at 1st April, 2020	1.41	8,863.57	990.00	32,994.83	18,953.78	-	562.63	62,366.22
Profit/(Loss) for the year	-	-	-	-	(69,513.58)	-	-	(69,513.58)
Transfer from / to	-	-	-	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-	42,289.08	65.89	42,354.97
<b>Balance as at 31st March, 2021</b>	<b>1.41</b>	<b>8,863.57</b>	<b>990.00</b>	<b>32,994.83</b>	<b>(50,559.80)</b>	<b>42,289.08</b>	<b>628.52</b>	<b>35,207.61</b>

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For V V KALE & CO.

Chartered Accountants  
Firm Registration No. 000897N

Vijay V. Kale

Partner  
Membership Number: 080821

AMRITESH JATIA

Managing Director  
DIN: 02781300

ASHISH DHANUKA

Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: New Delhi

Dated: 28th May, 2022

# ASIAN HOTELS (NORTH) LIMITED

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## NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 1. CORPORATE INFORMATION

Asian Hotels (North) Limited ("the Company") is a public limited company domiciled in India and is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company is operating a Five Star Deluxe Hotel, namely Hyatt Regency in Delhi since 1982.

### 2. BASIS OF PREPARATION

For the year ended 31st March 2022, the Company has prepared its financial statements in accordance with the Indian Accounting Standards notified under Section 133 of the companies Act 2013, read together with Companies (Accounts) Rules 2014 (Ind AS). The financial statements have been prepared on historical cost basis, except certain financial assets and liabilities which have been measured at fair value, defined benefits plans and contingent consideration. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

#### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- a. Expected to be realized or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realized within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 2A. USE OF ESTIMATES

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

#### Critical estimates and judgments

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expense and payable – Refer accounting policies - 3.9
- b) Estimated useful life of property, plant & equipment and intangible assets – Refer accounting policies - 3.1
- c) Estimation of defined benefit obligation – Refer accounting policies - 3.8
- d) Estimation of fair values of contingent liabilities - Refer accounting policies - 3.12
- e) Recognition of revenue - Refer accounting policies - 3.4

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 2A. USE OF ESTIMATES...contd.

- f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policies - 3.9
- g) Impairment of financial assets – Refer accounting policies - 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Property, Plant and Equipment:

Property, Plant and Equipment are stated at original cost (including any revalued amount) net of tax / duty credit availed, less accumulated depreciation, and accumulated and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment

#### **Tangible Fixed Assets:**

- (a) Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods.
- (b) Depreciation on leasehold improvements is being charged equally over the period of the lease.
- (c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve and credited to the Other Comprehensive Income based on guidance provided by "Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India read with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2016 as amended by the Companies (Indian Accounting standards) (Amendment) Rules, 2016.
- (d) No depreciation is charged on the assets sold/ discarded during the year.
- (e) On transition to Ind AS, the Company had elected to measure its Property, Plant and Equipment at cost as per Ind AS. Further, as per the requirement of paragraph 11 of Ind AS 101, outstanding amount in the revaluation reserve is transferred to retained earning account. This is because after transition, the Company is no longer applying the revaluation model of Ind AS 16, instead it has elected to apply the cost model approach.

#### **Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

#### **Capital Work- in- progress**

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period are set off from the interest expense accounted for as expenditure during the construction period.

### 3.2 Impairment of non-financial 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. In assessing value in use, the

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES...contd.

Company measures it on the basis of discounted cash flow projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

In respect of the subsidiaries assets at each balance sheet date, the impairment testing is based on the realizable value of underlying assets as tested by the Board of Directors of the subsidiary.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

### 3.3 Foreign Currency Transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

#### Initial Recognition

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

#### Conversion

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

#### Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

### 3.4 Revenue recognition

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

- (i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer or the agreed milestones are achieved and are net of service tax and Goods and Service Tax (GST), wherever applicable.
- (ii) For all debt instruments measured either at amortized cost or at fair value through other comprehensive income [OCI], interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument [for example, prepayment, extension, call and similar options] but does not consider the expected credit losses.
- (iii) Dividend income from investments is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.
- (iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.
- (v) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 3.5 Financial Instruments

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

### A. Financial Assets

#### a. Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Company settle commits to purchase or sell the asset.

#### b. Subsequent measurement:

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

##### i. Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

##### ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

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

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

##### iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.



# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES...contd.

### c. Derecognition:

A financial asset is primarily derecognized when:

- i. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

### d. Impairment of financial assets:

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

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash
- c. Financial assets that are debt instruments and are measured as at FVTOCI
- d. Lease receivables under Ind AS 17
- e. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the company to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

## B. Financial liabilities:

### a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES...contd.

### b. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

#### i. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### ii. Loans and borrowings:

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

#### iii. Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

### c. Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

## C. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

## D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## 3.6 Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES...contd.

The principal or the most advantageous market must be accessible by the Company. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

### 3.7 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is determined by weighted average method. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

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

### 3.8 Retirement benefits

Retirement benefit costs for the year are determined on the following basis:

- (i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. There is no obligation other than the contribution payable to the respective fund.
- (ii) The Company also provides for retirement benefits in the form of gratuity and compensated absences/ Leave encashment in pursuance of the Company leave rules. The Company's liability towards such defined benefit plans are determined based on valuations as at the Balance Sheet date made by independent actuaries. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset

### 3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized on the basis of reasonable certainty that the company will be having sufficient future taxable profits and based on the same the DTA has been recognized in the books.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

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

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES...contd.

normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

### 3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the company during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

### 3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

### 3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

### 3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 3.14 Leases

The determination of whether an arrangement is [or contains] a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

- A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- Lease other than finance lease are operating lease and these leased assets are not recognized in the company's statement of financial position but are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Company is both a lessee and a lessor under such arrangements. Payments and receipts under such leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the primary period of the lease unless another systematic basis is more representative of the time pattern of the user's benefit.

### 3.15 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

# ASIAN HOTELS (NORTH) LIMITED

## NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings	Furniture, Fixtures and Furnishing	Plant and Equipments	Office Equipment	Computers	Vehicles	Total	Capital work-in progress
<b>Cost:</b>									(Rs. In Lakhs)
As at 31st March, 2020	80,074.28	26,408.05	7,735.97	15,134.74	55.35	468.15	752.54	1,30,629.07	147.83
Additions	-	-	-	38.01	1.50	-	70.50	110.01	0.77
Revaluation of Assets*	-	42,289.08	-	-	-	-	-	42,289.08	-
Revaluation adjustment	-	(5,008.13)	-	-	-	-	-	(5,008.13)	-
Disposals / transfers	-	-	-	-	-	-	37.35	37.35	-
<b>As at 31st March, 2021</b>	<b>80,074.28</b>	<b>63,689.00</b>	<b>7,735.97</b>	<b>15,172.75</b>	<b>56.85</b>	<b>468.15</b>	<b>785.69</b>	<b>1,67,982.69</b>	<b>148.60</b>
Additions	-	8.54	37.48	79.21	1.10	-	-	126.34	-
Disposals / transfers	-	-	-	-	-	-	104.74	104.74	49.45
<b>As at 31st March, 2022</b>	<b>80,074.27</b>	<b>63,697.53</b>	<b>7,773.44</b>	<b>15,251.97</b>	<b>57.96</b>	<b>468.16</b>	<b>680.95</b>	<b>1,68,004.28</b>	<b>99.15</b>
<b>Accumulated depreciation:</b>									
As at 31st March, 2020	-	4,569.51	6,415.52	9,238.25	45.56	394.82	346.25	21,009.91	-
Depreciation charged during the year	-	438.62	327.57	799.62	3.37	22.88	89.90	1,681.96	-
Revaluation Adjustment	-	(5,008.13)	-	-	-	-	-	(5,008.13)	-
Disposals / transfers	-	-	-	-	-	-	23.68	23.68	-
<b>As at 31st March, 2021</b>	<b>-</b>	<b>-</b>	<b>6,743.09</b>	<b>10,037.87</b>	<b>48.93</b>	<b>417.70</b>	<b>412.47</b>	<b>17,660.06</b>	<b>-</b>
Depreciation charged during the year	-	1,379.59	292.37	744.67	2.43	18.24	73.66	2,510.95	-
Disposals / transfers	-	-	-	-	-	-	41.89	41.89	-
<b>As at 31st March, 2022</b>	<b>-</b>	<b>1,379.59</b>	<b>7,035.46</b>	<b>10,782.54</b>	<b>51.36</b>	<b>435.94</b>	<b>444.23</b>	<b>20,129.12</b>	<b>-</b>
<b>Net book value</b>									
As at 31st March, 2021	80,074.28	63,689.00	992.88	5,134.88	7.92	50.45	373.22	1,50,322.64	148.60
<b>As at 31st March, 2022</b>	<b>80,074.27</b>	<b>62,317.94</b>	<b>737.98</b>	<b>4,469.43</b>	<b>6.61</b>	<b>32.22</b>	<b>236.72</b>	<b>1,47,875.17</b>	<b>99.15</b>

\*The Building in New Delhi on which the Hotel business is operated was valued at Rs. 636.89 crores on the basis of the valuation report dated April 09, 2021. This being a material adjusting subsequent event for FY 2020-21, the adjustment to the value of building by way of upward revaluation of Rs. 42,289.08 Lakhs was recorded on March 31, 2021 in line with the relevant Accounting Standards.

Note: Title deeds of all the immovable properties are held in the name of the company.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 4. PROPERTY, PLANT AND EQUIPMENT....contd.

### (a) Vehicles includes those financed:

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	267.92	529.71
Net value	119.69	280.78

### (b) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity (Refer Note 36 on Segment Reporting)

#### Land (freehold)

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	34.00	34.00
Net value	34.00	34.00

#### Plant and Equipments

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	1,857.02	1,857.02
Net value	674.05	754.27

### (c) Capital Work in Progress consists of :

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Balance at the beginning of the year	148.60	147.83
Building under construction	-	-
Technical and consultancy fees	-	0.60
Kitchen Equipments	-	0.17
Plumbing and sanitation	-	-
Air conditioning under installation	-	-
Furniture and Fixtures	-	-
Office, Housekeeping and other equipments	-	-
Expenditure during construction {Refer Note (d) below}	-	-
	<b>148.60</b>	<b>148.60</b>
Less: Capitalized during the year	<b>(49.45)</b>	-
<b>Balance at the end of the year</b>	<b>99.15</b>	<b>148.60</b>

### CWIP ageing schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1year	1-2years	2-3years	More than 3 years	
<b>Expansion II *</b>					
As at 31st March, 2022	-	0.6	3.86	94.69	99.15
As at 31st March, 2021	0.6	3.86	32.25	62.44	99.15
<b>Construction of Restaurant (Syrah)</b>					
As at 31st March, 2022	-	-	-	-	-
As at 31st March, 2021	0.17	49.29	-	-	49.46
<b>Total CWIP</b>					
As at 31st March, 2022	0.00	0.60	3.86	94.69	99.15
As at 31st March, 2021	0.77	53.15	32.25	62.44	148.60

\*Development activities are halted due to pending regulatory approvals. The Management is confident that the requisite approvals will be obtained soon.

### (d) All other expenses specifically attributable to construction have been accounted for as expenditure during construction. The Company has prepared the following Statement of Expenditure during construction:

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>STATEMENT OF EXPENDITURE DURING CONSTRUCTION</b>		
Legal and professional charges (Including loan processing and arranging fees)	-	-
Miscellaneous expenses	-	-
	-	-



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unquoted investments:</b>		
<b>a. Investment in equity instruments</b>		
<b>i) Subsidiary companies</b>	<b>54,653.62</b>	54,653.62
Less: provision for impairment on the value of investment	<u>(54,653.62)</u>	<u>(54,653.62)</u>
	-	-
ii) Others companies	-	142.54
<b>b. Investment in preference shares</b>		
Subsidiary companies	<b>7,380.70</b>	7,380.70
Less: provision for impairment on the value of investment	<u>(7,380.70)</u>	<u>(7,380.70)</u>
	-	142.54
Aggregate amount of unquoted investments	-	142.54
Aggregate provision for diminution on value of investments	<b>62,034.32</b>	62,034.32

### Details of Investments

	Face value per unit in Rs. unless otherwise specified	No. of shares/units As at 31-03-2022	Value	
			As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unquoted Investments:</b>				
<b>Investment in equity instruments</b>				
<b>Investment in subsidiary company</b>				
<b>Par value of equity shares</b>				
1. Finline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL)	No par value	<b>9,42,95,582</b>	<b>54,653.62</b>	54,653.62
Less: Provision for Impairment on the value of investment			<u>(54,653.62)</u>	<u>(54,653.62)</u>
<b>Investment in other companies</b>				
2. Sandhya Hydro Power Projects Balagha Pvt. Ltd.*	Rs. 10	<b>14,25,390</b>	-	142.54
<b>Investment in preference shares</b>				
<b>Investment in subsidiary company</b>				
Fully paid up 5% Cumulative Redeemable Preference Shares				
Finline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL) #	USD 1	<b>1,01,93,679</b>	<b>7,380.70</b>	7,380.70
Less: Provision for Impairment on the value of investment			<u>(7,380.70)</u>	<u>(7,380.70)</u>
<b>Total</b>			<u>-</u>	<u><b>142.54</b></u>

# There is no change in value of investment as company has not provided foreign exchange loss/ gain on amount invested in foreign currency as provision for impairment of investment is provided for full value of investment.

\* Pursuant to the Settlement agreement entered with the investee, the investment has been sold during the financial year & that there was a consequent termination of power purchase agreement.

Notes:

- (a) The Company presently holds 100% interest in Finline Hospitality & Consultancy Pte Ltd. (FHCPL), which in turn holds 80% stake in Lexon Hotels Venture Ltd., Mauritius (Lexon); and Lexon in turn holds 99.76% interest in Leading Hotels Limited (Leading). Leading is developing an all Villa Hotel Complex at Goa and an 18 hole, 72 par Championship Golf Course. The said project will be under the management of Four Seasons, a world famed hotel chain and hospitality management company.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS ...contd.

- (b) 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 was passed on June 25, 2021 for initiating Corporate Insolvency Resolution Process (CIRP). Due to the uncertainty related to realisation of amount from the insolvency process the value of investment was fully impaired during the FY 2020-21 by creation of provision for diminution in the value of the investment.

## 6. NON - CURRENT FINANCIAL ASSETS - LOANS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(a) Loans Receivables considered good – Unsecured - Loans to employees	17.69	29.10
	<u>17.69</u>	<u>29.10</u>

## 7. NON - CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unsecured, considered good, unless otherwise stated</b>		
Security deposits	385.98	405.05
	<u>385.98</u>	<u>405.05</u>

## 8. TAXATION - DEFERRED TAX

### I. Income tax related items charged or credited directly to profit or loss during the year

Particulars	2021-22	2020-21
<b>Statement of profit or loss</b>		
Current income tax	-	-
Prior year income tax / (reversal)	-	-
Deferred tax expense / (benefit)	-	-
<b>Total</b>	-	0.00

### II. Income Tax Expense

<b>Reconciliation</b>		
<b>Accounting profit / loss before tax</b>	(12481.15)	(12,598.10)
Applicable tax rate	26.00%	26.00%
<b>Computed tax expense</b>	-	-

\*Computed tax expense is Nil since business loss is incurred in the respective financial years.

### III. Deferred Tax relates to the following:

Particulars	Balance Sheet		Recognized in statement of profit or loss (Expense / (Income))	
	As at 31-03-2022	As at 31-03-2021	2021-22	2020-21
Expense allowable on payment basis	(321.54)	(321.54)	-	-
Unused tax losses / depreciation	6,958.20	6,958.20	-	-
Minimum alternate tax (MAT) credit	778.15	778.15	-	-
Depreciation timing difference	(5,154.77)	(5,154.77)	-	-
Others	1,597.32	1,597.32	-	-
Earlier years tax provisions (written back)	-	-	-	-
Deferred tax asset / (liability) reversals	-	-	-	-
<b>Deferred tax asset / (liability)</b>	<b>3,857.37</b>	<b>3,857.37</b>	-	-

Note: 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.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 9. NON - CURRENT ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Capital advances		
Considered good	-	23.89
Considered doubtful	-	-
	-	23.89
Less: Provision for doubtful advances	-	-
	-	23.89
Advance income tax/TDS (net of provision for taxation)	<b>334.92</b>	493.24
Others*	<b>197.38</b>	-
	<b>532.30</b>	<b>517.13</b>

\*Represents the amount paid to Registrar General High Court of Delhi towards order passed by Delhi High Court in legal suit filed by lessors related to non payment of lease rental of apartments.

## 10. INVENTORIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(valued at lower of cost and net realizable value)		
Wines and liquor	<b>126.18</b>	186.11
Provisions, other beverages and smokes	<b>72.74</b>	51.66
Crockery, cutlery, silverware, linen etc.	<b>342.21</b>	314.96
General stores and spares	<b>32.11</b>	28.85
	<b>573.24</b>	<b>581.58</b>

- As per inventory taken and valued by the Management

## 11. TRADE RECEIVABLES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unsecured</b>		
Other debts		
Considered good	<b>1,116.59</b>	1,440.62
Considered doubtful	-	-
	<b>1,116.59</b>	1,440.62
Less: Provision for doubtful debts	<b>(16.00)</b>	(10.73)
	<b>1,100.59</b>	1,429.89
Trade receivables includes:		
Debts related to generation of electricity business (See segment reporting note)	<b>15.69</b>	161.94

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

(Rs. Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Undisputed Trade receivables – considered good</b>						
As at 31st March, 2022	925.40	63.94	72.13	12.27	42.85	1,116.59
As at 31st March, 2021	865.40	438.89	87.28	11.26	37.79	1,440.62
<b>Undisputed Trade receivables – credit impaired</b>						
As at 31st March, 2022	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-
<b>Disputed Trade receivables – considered good</b>						
As at 31st March, 2022	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-
<b>Disputed Trade receivables – credit impaired</b>						
As at 31st March, 2022	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-
<b>Less: Allowance for credit loss</b>						
As at 31st March, 2022	(2.62)	(4.48)	(5.05)	(0.86)	(3.00)	(16.00)
As at 31st March, 2021	(4.99)	(1.92)	(2.16)	(0.37)	(1.29)	(10.73)
<b>Total Trade Receivables as at 31st March, 2022</b>	<b>922.78</b>	<b>59.46</b>	<b>67.09</b>	<b>11.41</b>	<b>39.85</b>	<b>1,100.59</b>
<b>Total Trade Receivables as at 31st March, 2021</b>	<b>860.41</b>	<b>436.97</b>	<b>85.11</b>	<b>10.89</b>	<b>36.50</b>	<b>1,429.89</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 12. CASH AND CASH EQUIVALENTS

	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 overdraft accounts	-	84.82
Cash in hand	10.83	10.44
	<u>141.04</u>	<u>97.53</u>

## 13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Other balances		
Earmarked balances with banks for:		
Unpaid dividends #	0.54	2.42
Bank deposits *	511.70	68.95
	<u>512.24</u>	<u>71.37</u>

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2022

# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.09	0.09
*includes as margin money deposit against borrowings from banks	-	-
*under lien against guarantee given for loan taken by the company	442.75	-
*against bank guarantee given to BSES Rajdhani Power Limited for electricity supply	68.95	68.95

## 14. CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Advances recoverable in cash or kind	304.76	286.73
Interest Accrued on Deposits	3.67	-
	<u>308.43</u>	<u>286.73</u>

## 15. CURRENT ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Unsecured, considered good, unless otherwise stated		
Prepaid expenses	170.42	189.27
Unbilled Revenue & Reimbursement	21.38	4.69
	<u>191.80</u>	<u>193.96</u>

## 16. SHARE CAPITAL

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Authorized:</b>		
40,000,000 Equity Shares of Rs. 10 each (40,000,000 Equity Shares of Rs. 10 each as on 31st March, 2021)	4,000.00	4,000.00
30,000,000 Preference Shares of Rs. 10 each (30,000,000 Preference Shares of Rs. 10 each as on 31st March, 2021)	3,000.00	3,000.00
<b>Issued, Subscribed and paid-up:</b>		
19,453,229 Equity Shares of Rs. 10 each fully paid up (19,453,229 Equity Shares of Rs. 10 each fully paid up as on 31st March, 2021)	1,945.32	1,945.32

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 16. SHARE CAPITAL ...contd.

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning at the end of the year:

### Authorized Share Capital

	As at 31-03-2022		As at 31-03-2021	
	No. of shares	Rs. (Lakhs)	No. of shares	Rs. (Lakhs)
<b>(1) Equity Shares</b>				
Balance at the beginning of the year	4,00,00,000	4,000.00	4,00,00,000	4,000.00
Balance at the end of the year	4,00,00,000	4,000.00	4,00,00,000	4,000.00
<b>(2) Preference Shares</b>				
Balance at the beginning of the year	3,00,00,000	3,000.00	3,00,00,000	3,000.00
Balance at the end of the year	3,00,00,000	3,000.00	3,00,00,000	3,000.00

### Issued, subscribed and paid-up capital

	As at 31-03-2022		As at 31-03-2021	
	No. of shares	Rs. (Lakhs)	No. of Shares	Rs. (Lakhs)
<b>(1) Equity Shares</b>				
Balance at the beginning of the year	1,94,53,229	1,945.32	1,94,53,229	1,945.32
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	1,94,53,229	1,945.32	1,94,53,229	1,945.32

(b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March, 2022, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2021: Rs. Nil).

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

(c) Details of shareholders holding more than 5% shares in the Company

	As at 31-03-2022 %	No. of shares	As at 31-03-2021 %	No. of shares
<b>Equity Shares of Rs. 10 each fully paid up</b>				
FineLine Holdings Limited, (an overseas promoter entity)	23.10	44,93,145	23.10	44,93,145
Yans Enterprises (H.K.) Limited, (an overseas promoter entity)	27.43	53,36,880	27.43	53,36,880
Yes Bank Limited	7.21	14,02,991	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) Details of Promoter shareholding as on 31.03.2022

Promoter Name	No. of shares as on 31.03.2021	% of total shares	No. of shares as on 31.03.2022	% of total shares	Change during the financial year	% Change during the financial year
<b>- Individual</b>						
Mr. Shiv Kumar Jatia	8,58,027	4.41%	25,100	0.13%	(8,32,927)	-4.28%
<b>- Promotor group entity</b>						
Asian Holding Private Limited-Domestic Entity	5,91,564	3.04%	6,500	0.03%	(5,85,064)	-3.01%
Yans Enterprises (H.K) Limited-Foreign Entity	53,36,880	27.43%	53,36,880	27.43%	-	-
FineLine Holding Limited-Foreign Entity	44,93,145	23.10%	44,93,145	23.10%	-	-

Note: The change in promoter's (SKJ and AHPL) holding is due to invocation of pledge of shares held by Yes Bank Limited & VPCG Exim Pvt. Ltd. As per the Management, the said invocation of shares is illegal in nature & the matter is subjudice. Hon'ble Delhi High Court has ordered to maintain status quo.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 17. OTHER EQUITY

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Capital Reserve</b>		
Opening balance	1.41	1.41
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	<u>1.41</u>	<u>1.41</u>
<b>Capital Redemption Reserve for redeemed NCPS</b>		
Opening balance	990.00	990.00
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	<u>990.00</u>	<u>990.00</u>
<b>Securities Premium</b>		
Opening balance	32,994.83	32,994.83
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	<u>32,994.83</u>	<u>32,994.83</u>
<b>General Reserve</b>		
Opening balance	8,863.57	8,863.57
Additions during the financial year	-	-
Adjusted to FVTOCI reserve on transition to Ind AS	-	-
Closing balance	<u>8,863.57</u>	<u>8,863.57</u>
<b>Revaluation Reserve</b>		
Opening balance	-	-
Additions during the financial year	42,289.08	42,289.08
Deductions during the financial year	-	-
Transferred to Surplus of Profit and Loss *	(940.83)	-
Closing balance	<u>41,348.25</u>	<u>42,289.08</u>
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	(50,559.80)	18,953.78
Transferred from Revaluation Reserve*	940.83	-
Profit / (loss) during the year	(12,481.15)	(69,513.58)
Closing balance	<u>(62,100.13)</u>	<u>(50,559.80)</u>
<b>Fair Value through Other Comprehensive Income [FVTOCI] Reserve</b>		
Opening balance	628.52	562.63
Adjusted from surplus in statement of profit and loss		
- Re-measurement gains / (losses) on employee benefits	41.41	65.89
Closing balance	<u>669.93</u>	<u>628.52</u>
Total of other equity - as at 31st March, 2022 & as at 31st March, 2021	<u>22,767.87</u>	<u>35,207.61</u>

\* As per para 41 of Ind AS 16 Property, Plant & Equipment, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from Revaluation Reserve to Retained Earning.



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Secured Term Loans</b>		
<b><u>From Banks</u></b>		
<i>External commercial borrowings</i>		
DBS Bank Limited	22,526.58	23,274.73
<i>Other Term Loans</i>		
Bank of Maharashtra - Rupee Loan**	21,665.75	22,924.75
Yes Bank Limited-Rupee loan**	12,582.81	13,481.80
Punjab National Bank-Rupee loan**	13,014.32	13,750.57
IndusInd Bank-Rupee loan**	8,712.00	9,020.92
	<b>78,501.46</b>	<b>82,452.77</b>
Less: Adjustment of transaction costs as per Ind AS 109	<b>(1,706.63)</b>	<b>(2,020.41)</b>
	<b>76,794.83</b>	<b>80,432.36</b>
<i>Funded Interest Term Loans (FITL)*</i>		
Bank of Maharashtra - Rupee Loan	3,720.05	1,449.12
Yes Bank Limited-Rupee loan	3,034.55	1,824.94
Punjab National Bank-Rupee loan	1,987.76	903.00
Indusind Bank	1,380.69	-
<i>For acquisition of /secured against vehicles</i>		
ICICI Bank Limited- Rupee loan	-	11.03
HDFC Bank Limited- Rupee loan	-	13.92
<b><u>From Financial Institution</u></b>		
<i>For acquisition of /secured against vehicles</i>		
Kotak Mahindra Prime Limited - Rupee loan	3.37	42.49
Toyota Financial Services - Rupee loan	0.67	7.72
<i>Inter Corporate Deposits</i>		
Exclusive Capital Ltd	263.81	-
Ambaa Securties (P) Ltd	7.50	-
Burlington Finance Ltd	21.50	-
Innovative Commercial Pvt Ltd	7.50	-
Kamlesh Mercantile Credit Pvt Ltd	30.00	-
Linear Commercial Pvt Ltd	7.50	-
	<b>87,259.73</b>	<b>84,684.58</b>

\* 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"). Summary of Revised Interest Rates & Repayment terms are summarized below.

\*\*The Company has been unable to repay Installments due on March 31, 2022 amounting to Rs. 4812.72 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.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

### Nature of security and terms of repayment for secured current financial liabilities-borrowings:

#### (a) DBS Bank Limited -External Commercial Borrowings

ECBs carry interest @ 4.50% p.a. plus 6 months LIBOR and are secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman & Managing Director w.e.f 22nd October, 2021) & Managing Director (Mr. Amrutesh Jatia) and pledge of shares representing Company's investment in foreign subsidiary company. External commercial borrowings are repayable as under: (i) USD 161.67 Lakhs is payable in 16 unequal half yearly instalments till March, 2030; (ii) USD 175.40 Lakhs is payable in 11 unequal half yearly instalments till March, 2030.

During the FY 2021-22 interest amounting to USD 15.62 Lakhs (Previous Year USD 24.76 Lakhs) was capitalized by the Bank in line with the amendment agreement dated May 13, 2021.

#### (b) Bank of Maharashtra - Rupee Loan

Particulars	Terms of Repayment
- Bank of Maharashtra (Term Loan I) of Rs. 20,323.13 Lakhs (carried interest @ 9.80 % per annum)	The loan is repayable in 39 unequal quarterly instalments starting from March, 2022 till March, 2032.
- Bank of Maharashtra (Term Loan II) of Rs. 4,488.75 Lakhs (carried interest @ 9.80 % per annum)	The loan is repayable in 39 unequal quarterly instalments starting from March, 2022 till March, 2032.
- Bank of Maharashtra (FITL I) of Rs. 3502.96 Lakhs (carried interest @ 10.00 % per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 2022 till March, 2027.
- Bank of Maharashtra (FITL II) of Rs. 772.97 Lakhs (carried interest @ 10.00 % per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loans &amp; FITL) are secured by:-</b>	
<ul style="list-style-type: none"> <li>- First pari passu charge of land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- Pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi (1st to 6th Floor except 3000 sq ft at 6th Floor) &amp; Cash Flow there on</li> <li>- First pari passu charge on movable fixed assets (Excluding Wind Mills, vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22nd October, 2021) &amp; Managing Director (Mr. Amrutesh Jatia)</li> <li>- Pledge of shares representing Company's investment in foreign subsidiary company on pari passu basis.</li> <li>- The Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 1907.00 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.</li> </ul>	

#### (c) Yes Bank Limited - Rupee Loan

Particulars	Terms of Repayment
- Yes Bank Limited (Term Loan III) of Rs. 4393.60 Lakhs (carried interest @ 9.75% per annum)	The loan is repayable in 43 unequal quarterly instalments till July, 2032.
- Yes Bank Limited (Term Loan IV) of Rs. 10461.41 Lakhs (carried interest @ 9.75 % per annum)	The loan is repayable in 45 unequal quarterly instalments till March, 2033.
- Yes Bank Limited - TL-III (FITL - I) (Mar'20-Aug'20) of Rs. 260.58 Lakhs (carried interest @ 9.75 % per annum)	The loan is repayable in 43 unequal quarterly instalments till July, 2032.
- Yes Bank Limited - TL-IV (FITL - I) (Mar'20-Aug'20) of Rs. 644.19 Lakhs (carried interest @ 9.75% per annum)	The loan is repayable in 45 unequal quarterly instalments till March, 2033.
- Yes Bank Limited - TL-III (FITL - II) (Sep'20-Mar'22) of Rs. 766.00 Lakhs (carried interest @ 10.55% per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
- Yes Bank Limited - TL-IV (FITL - II) (Sep'20-Mar'22) of Rs. 1845.00 Lakhs (carried interest @ 10.55 % per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loans &amp; FITLs) are secured by:-</b>	
<ul style="list-style-type: none"> <li>- First pari passu charge of land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi (1st to 6th Floor except 3000 sq. ft at 6th Floor) &amp; Receivable from the sale/lease.</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets.</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22th October, 2021) &amp; Managing Director (Mr. Amrutesh Jatia)</li> <li>- Pledge of shareholding of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22th October, 2021), entities contrlled by him, Asian Holding Private Limited &amp; Other group Companies (total amounting to 7.29%) in the Company. Invoked during the year by Yes Bank Limited.</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- Charge over two power generation units of 3MW (including its Cashflows) situated at Maharashtra.</li> </ul>	

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

### Notes:-

- i) Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 955.72 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.
- ii) 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 Jatia, 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 6th 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 6, 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.

### (d) Punjab National Bank - Rupee Loan

Particulars	Terms of Repayment
- Punjab National Bank - Term Loan of Rs. 14886.32 Lakhs (carried interest @ 9% per annum)	The loan is repayable in 39 unequal quarterly instalments starting from March, 2022 till March, 2032.
- Punjab National Bank - FITL of Rs. 2284.78 Lakhs (carried interest @ 10% per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loan &amp; FITL) are secured by:-</b> <ul style="list-style-type: none"> <li>- First pari passu charge of land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi</li> <li>- First pari passu charge on Cashflows of the Company.</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- Personal / corporate guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22th October, 2021) &amp; Managing Director (Mr. Amrithesh Jatia)</li> <li>- Pledge of shareholding of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22th October, 2021), entities controlled by him, Asian Holding Private Limited &amp; Other group Companies (total amounting to 0.16%) in the Company.</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- The Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 1134.00 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.</li> </ul>	

### (e) IndusInd Bank Limited - Rupee Loan

IndusInd Bank Limited which was not initially part of OTR Scheme has during FY 2021-22 agreed for One time restructuring of all Credit facilities vide Sanction Letter dated 16th December, 2021. The, terms as per new restructured Scheme are placed below:

Particulars	Terms of Repayment
- IndusInd Bank Limited - Term Loan of Rs. 10058.00 Lakhs (carried interest @ 9% per annum)	The loan is repayable in 38 unequal quarterly instalments starting from March, 2022 till December, 2031.
- IndusInd Bank Limited - FITL of Rs. 1587.00 Lakhs (carried interest @ 10% per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loan &amp; FITL) are secured by:-</b> <ul style="list-style-type: none"> <li>- First pari passu charge of existing and future land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- First pari passu charge on current Assets of the company both present and future.</li> <li>- Pari passu charge of unsold area of New Tower Block A and Cashflow thereon and cashflow from the sale of 40,000 Sq. ft area of Shopping Arcade located in Hyatt Regency Delhi.</li> <li>- First pari passu charge on all cashflow of the company.</li> <li>- Fixed Deposit of Rs. 600.00 Lakhs to be held as exclusive collateral and will be provided by Personal guarantors as per schedule provided by IndusInd Bank.</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22nd October, 2021) &amp; Managing Director (Mr. Amrithesh Jatia)</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- The Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 816.00 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.</li> </ul>	

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

- (f) ICICI Bank-Rupee loan (carried interest @ 8.02% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly instalments up to December, 2022.
- (g) ICICI Bank-Rupee loan (carried interest @ 8.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly instalments up to January, 2023.

The aggregate values of the vehicle loans from ICICI Bank is Rs. 5.44 Lakhs as at March 31, 2022.

- (h) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 8.60% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to May 2022.
- (i) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 7.78% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to April 2023.

The aggregate values of the vehicle loans outstanding from Kotak Mahindra Prime Ltd is Rs. 42.49 Lakhs as at March 31, 2022.

- (j) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 7.74% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to March, 2023.
- (k) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 7.74% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to April, 2023.

The aggregate values of the vehicle loans outstanding from Toyota Financial Services India Ltd is Rs. 7.72 Lakhs as at March 31, 2022.

- (l) Exclusive Capital Limited - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Exclusive Capital Limited - ICD of Rs. 250.00 Lakhs (carried interest @ 9% per annum). Outstanding amount of Rs. 245.65 Lakhs as at March 31, 2022	The loan is repayable in equal monthly instalments till February, 2026.
- Exclusive Capital Limited - ICD of Rs. 166.28 Lakhs (carried interest @ 9% per annum). Outstanding amount of Rs. 153.54 Lakhs as at March 31, 2022	The loan is repayable in equal monthly instalments till January, 2024.

- (m) Ambaa Securities Private Limited - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Ambaa Securities Private Limited - ICD of Rs. 50.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 40 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

- (n) Burlington Finance Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Burlington Finance Ltd - ICD of Rs. 215.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 161.25 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till May, 2023.

- (o) Innovative Commercial Pvt Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Innovative Commercial Pvt Ltd - ICD of Rs. 50.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 40 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

- (p) Kamlesh Mercantile Credit Pvt Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Kamlesh Mercantile Credit Pvt Ltd - ICD of Rs. 200.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 160 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

- (q) Linear Commercial Pvt Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Linear Commercial Pvt Ltd - ICD of Rs. 50.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 40 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS ...contd.

The details of repayment of long term borrowings as at 31st March, 2022 are as follow:

Particulars	Up to 1 year (Rs. In Lakhs)	1 to 5 years (Rs. In Lakhs)	Above 5 years (Rs. In Lakhs)	Total (Rs. In Lakhs)
<b>Secured term loans</b>				
From banks	12,908.44	49,723.73	38,900.80	1,01,532.97
From financial institution	-	-	-	-
<b>Other Secured Loans</b>				
From banks	5.44	-	-	5.44
From financial institution	46.17	4.04	-	50.21
<b>Inter Corporate Deposits</b>	732.63	337.81	-	1,070.44
	<b>13,692.69</b>	<b>50,065.57</b>	<b>38,900.80</b>	<b>1,02,659.06</b>

## 19. NON - CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Security Deposits*	78.48	1,525.47
	<b>78.48</b>	<b>1,525.47</b>

\*Includes Amount of Rs. 27.28 Lakhs (Previous Year: Rs. 27.28 Lakhs) received as refundable interest free security deposit for Service Apartment.

## 20. NON - CURRENT PROVISIONS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	262.71	288.91
Leave Encashment	45.54	47.66
	<b>308.25</b>	<b>336.57</b>

## 21. CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Secured</b>		
<b>From Banks</b>		
External commercial borrowings		
DBS Bank Limited	3,026.30	-
<i>Other Term Loans</i>		
Bank of Maharashtra - Rupee Loan	3,147.00	1,907.00
Punjab national Bank - Rupee Loan	1,872.00	1,134.00
IndusInd Bank Ltd - Rupee Loan	1,346.00	549.93
Yes Bank Limited - Rupee Loan	1,765.92	1,462.00
<i>Funded Interest Term Loans (FITL)</i>		
Bank of Maharashtra - FITL	555.87	-
Punjab national Bank - FITL	297.02	-
IndusInd Bank Ltd -FITL	229.45	23.14
Yes Bank Limited - FITL	668.89	-
<i>For acquisition of /secured against vehicles</i>		
ICICI Bank Limited- Rupee loan	5.44	18.35
HDFC Bank Limited- Rupee loan	-	14.66
<i>Overdraft Facilities</i>		
Yes Bank Limited	4,012.36	3,432.71
Axis Bank Limited	1,254.22	1,154.08
IndusInd Bank	557.50	520.72
	<b>18,737.97</b>	<b>10,216.59</b>
<b>From Financial Institution</b>		
<i>For acquisition of /secured against vehicles</i>		
Kotak Mahindra Prime Limited - Rupee loan	39.13	40.82
Toyota Financial Services - Rupee loan	7.05	9.09
	<b>46.18</b>	<b>49.91</b>
<b>Unsecured Others</b>		
Intercorporate Deposits* (carry interest @ 9% to 12%)	732.63	932.50
	<b>732.63</b>	<b>932.50</b>
	<b>19,516.78</b>	<b>11,199.00</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 21. CURRENT FINANCIAL LIABILITIES - BORROWINGS...contd.

### Nature of security and terms of repayment for secured current financial liabilities-borrowings:

(a) Yes Bank Limited

- Overdraft facilities (carried interest @ 10.20 % per annum)
- Yes Bank Limited -FITL I OD (carried interest @ 11.25 % per annum) - Bullet repayment on March, 2023

Both facilities are secured by:-

- First pari passu charge of land & building of Hotel Hyatt Regency Delhi
- First pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi (1st to 6th Floor except 3000 sq ft at 6th Floor) & Receivable from the sale/lease.
- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets
- Personal guarantee of Mr. Shiv Kumar Jatia & Managing Director (Mr. Amritesh Jatia)
- Pledge of shareholding of Mr. Shiv Kumar Jatia, entities controlled by him, Asian Holding Private Limited & Other group Companies (total amounting to 7.2%) in the Company.
- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.
- Charge over two power generation units of 3MW (including its Cashflows) situated at Maharashtra.
- Presently the OD is overdrawn by Rs. 810.90 Lakhs.
- Refer Note 18(c) above

(b) Axis Bank Limited - Overdraft facilities (carried interest @ 11.45% per annum) and is secured by:-

- first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi,
- first pari-passu charge on the Land and Building pertaining to the existing Hotel complex.
- first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future),
- personal guarantee of Chairman & Managing Director & Non-Executive Director (Mr. Amritesh Jatia),
- pledge of shares representing Company's investment in foreign subsidiary company
- Presently the OD is overdrawn by Rs. 7.44 Lakhs."

(c) IndusInd Bank Limited - Overdraft facilities & FITL (OD)

IndusInd Bank Limited which was not initially part of OTR Scheme has during FY 2021-22 agreed for One time restructuring of all Credit facilities vide Sanction Letter dated 16th December, 2021. The, terms as per new restructured Scheme are placed below:

Particulars	Terms of Repayment
- IndusInd Bank Limited - Overdraft facilities of Rs. 500.00 Lakhs (carried interest @ 9% - 10.40% per annum)	Represents OD limit and hence Repayable on demand
- IndusInd Bank Limited - FITL (OD) of Rs. 0.23 Lakhs (carried interest @ 10% per annum)	Repayable in bullet repayment on 31st March, 2023.
<p><b>All the Above mentioned Credit facilities are secured by:-</b></p> <ul style="list-style-type: none"> <li>- First pari passu charge of existing and future land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- First pari passu charge on current Assets of the company both present and future.</li> <li>- Pari passu charge of unsold area of New Tower Block A and Cashflow thereon and cashflow from the sale of 40,000 Sq. ft area of Shopping Arcade located in Hyatt Regency Delhi.</li> <li>- First pari passu charge on all cashflows of the company.</li> <li>- Fixed Deposit of Rs. 600.00 Lakhs to be held as exclusive collateral and will be provided by Personal guarantors as per schedule provided by IndusInd Bank.</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 22nd October, 2021) &amp; Managing Director (Mr. Amritesh Jatia)</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- Presently the OD is overdrawn by 57.50 Lakhs and is in process of being converted into FITL.</li> </ul>	



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 22. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Due to micro and small enterprises	154.31	169.55
Due to other than micro and small enterprises	9,317.58	9,167.25
	<u>9,471.89</u>	<u>9,336.80</u>

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") is as under:

### DISCLOSURE UNDER MSMED ACT, 2006

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
(a) Principal amount due to suppliers under MSMED Act, 2006	154.31	169.55
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	-	-
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

### Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Undisputed Trade Payables – MSME</b>					
As at 31st March, 2022	90.84	39.15	18.10	6.23	154.31
As at 31st March, 2021	124.50	20.95	2.57	-	148.03
<b>Undisputed Trade payables – Others</b>					
As at 31st March, 2022	1,993.01	444.77	2,778.24	3,761.11	8,977.13
As at 31st March, 2021	1,775.07	3,252.38	1,680.73	2,133.78	8,841.97
<b>Disputed Trade payables – MSME</b>					
As at 31st March, 2022	-	-	-	-	-
As at 31st March, 2021	20.45	1.08	-	-	21.53
<b>Disputed Trade payables – Others</b>					
As at 31st March, 2022	1.37	11.64	325.26	2.17	340.45
As at 31st March, 2021	27.95	295.16	2.17	-	325.28
Total Trade payables as at 31st March, 2022	2,085.22	495.56	3,121.60	3,769.51	9,471.89
Total Trade payables as at 31st March, 2021	1,947.97	3,569.57	1,685.48	2,133.78	9,336.80

## 23. CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Security deposits*	1,772.32	404.48
Interest accrued but not due on borrowings	722.61	1,681.33
Interest accrued but & due but not paid on borrowings	24.53	93.35
Payables for capital goods	-	110.27
Employee Dues	815.90	684.53
Other payables	65.55	30.84
Unpaid/unclaimed dividend	0.45	2.33
Asian Holding Private Limited #	506.28	-
	<u>3,907.64</u>	<u>3,007.13</u>

\*The above includes Rs. 180.12 Lakhs (Previous Year: Rs. 180.12 Lakhs) received as refundable interest free security deposits against leave and license agreements relating to the shops in Hotel Hyatt Regency, Rs. 52.96 Lakhs (Previous Year: Rs. 52.96 Lakhs) received as refundable interest free security deposit for Service Apartment & Rs. 1,500 Lakhs (Previous Year: Rs. 1,500 Lakhs classified under Non-Current Other Financial Liabilities on March 31, 2021) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

#Liability against Fixed Deposits provided by Asian Holding Private Limited to Yes Bank Limited as guarantee for Credit Facilities availed by the Company is invoked by Yes Bank Limited during the FY 2021-22. Accordingly, the amount is owed by the Company to Asian Holding Private Limited. The matter is pending before Delhi High Court which has ordered Status Quo in the matter of invocation of pledge of shares and Fixed Deposits.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 24. OTHER CURRENT LIABILITIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Advance from customers *	5,685.37	5,797.12
Advance for Sale of Fixed Assets#	91.88	341.88
Statutory liabilities	1,428.77	1,489.25
Other liabilities	3,076.81	2,874.92
	<u>10,282.83</u>	<u>10,503.17</u>

\* Advance includes amount received upon execution of agreements related to apartments amounting to Rs.4846.05 Lakhs (Previous year ended March 31, 2021: Rs. 4,851.15 Lakhs)

#Advance for Sale of Fixed Assets includes Rs. 91.87 lakhs (Previous Year 321.88 ) received for the Sale of Windmills Assets Located in Maharashtra.

## 25. SHORT TERM PROVISIONS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	42.46	323.97
Leave Encashment	13.76	13.88
	<u>56.21</u>	<u>337.84</u>

## 26. REVENUE FROM OPERATIONS

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>ROOMS, FOOD, BEVERAGES AND OTHER SERVICES</b>		
Room income	4,062.50	2,435.76
Wines and liquor	1,415.09	641.31
Food, other beverages, smokes and banquets	5,772.80	2,837.22
Communications	3.18	2.57
Others*	1,798.97	1,341.44
	<u>13,052.54</u>	<u>7,258.30</u>
*Includes related to generation of electricity business	53.79	150.35

## 27. OTHER INCOME

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Interest Received/Receivable		
From banks	9.23	1.05
From others	28.08	61.96
Excess provisions / credit balances no longer required written back	359.66	80.63
Miscellaneous income	12.15	43.03
	<u>409.12</u>	<u>186.67</u>

## 28. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>WINES AND LIQUOR</b>		
Opening Stock	186.11	356.95
Add : Purchases	271.29	66.91
	<u>457.40</u>	<u>423.86</u>
Closing Stock	(126.17)	(186.11)
	<u>331.23</u>	<u>237.75</u>
<b>PROVISIONS, OTHER BEVERAGES AND SMOKES</b>		
Opening Stock	51.66	109.97
Add : Purchases	1,848.56	839.48
	<u>1,900.22</u>	<u>949.45</u>
Closing Stock	(72.74)	(51.66)
	<u>1,827.48</u>	<u>897.79</u>
Excise duty expense	-	-
	<u>2,158.71</u>	<u>1,135.54</u>
Percentage of total consumption between:		
Indigenous 99.85% (Previous Year 100%)	2,155.46	1,135.54
Imported 0.15% (Previous Year Nil %)	3.25	-

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 29. EMPLOYEE BENEFITS EXPENSES

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Salaries and wages	3,024.09	2,718.72
Contribution to provident and other funds	169.78	165.46
Contract labour and services	542.06	343.53
Staff welfare expense	327.01	370.49
Recruitment and training	12.63	5.70
	<b>4,075.57</b>	<b>3,603.90</b>

## 30. FINANCE COSTS

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Interest expenses	9,303.31	9,555.29
Other borrowing costs (including bank charges)	574.90	469.16
Applicable net loss / (gain) on foreign currency transactions and translation {Refer Note 3.10 on borrowing costs}	1,101.06	(919.02)
	<b>10,979.27</b>	<b>9,105.43</b>

## 31. OTHER EXPENSES

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>OPERATING, ADMINISTRATION AND GENERAL EXPENSES</b>		
Linen, room, catering and other supplies/services	582.66	715.06
Operating equipment and supplies written off	58.82	161.45
Power, fuel and light (net)	1,627.36	1,145.10
Repairs, maintenance and refurbishing *	641.24	511.77
Rent	7.71	-
Rates and taxes	381.99	292.33
Insurance	113.94	95.98
Data processing charges	266.67	223.83
Legal and professional charges	768.11	365.12
Payment to the auditors**	20.00	20.00
Stationery and printing	56.49	37.07
Travelling and conveyance	274.38	58.15
Guest transportation	40.48	17.93
Communication (including telephones for guests)	117.39	92.36
Technical services	289.17	13.71
Advertisement, publicity and business promotion	48.80	209.45
Commission and brokerage	495.36	275.10
Charity and donation	0.04	0.73
Bad debts / advances written off	-	49.02
Provision for doubtful debts / advances	36.90	32.77
Loss on Fixed Assets sold/discarded (net)	32.05	2.88
Exchange Fluctuation loss	238.95	108.29
Miscellaneous	119.80	88.13
	<b>6,218.31</b>	<b>4,516.23</b>
* includes:		
Repairs to buildings	130.77	135.08
Repairs to machinery	409.92	266.00
**Payments to the auditors for		
- statutory audit	18.00	18.00
- tax audit fee	2.00	2.00
	<b>20.00</b>	<b>20.00</b>

## 32. EARNINGS PER EQUITY SHARE

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Profit/(loss) available for equity shareholders	(12,481.15)	(69,513.58)
Weighted average numbers of equity shares outstanding	1,94,53,229	1,94,53,229
Nominal value per equity share (in Rupees)	10.00	10.00
Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	(64.16)	(357.34)

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 33. EXCEPTIONAL ITEMS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
- Provision for impairment of Investment in subsidiary (Refer Sub Notes to Note 5)	-	56,914.72
	-	56,914.72

## 34. CONTINGENT LIABILITIES AND COMMITMENTS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(a) Claims against the Company not acknowledged as debts *	-	-
* pertains to cases filed by certain employees of the Company		
(b) Service tax demand not provided for *	250.00	250.00
* pertains to a demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs which includes penalty demand of Rs. 250.00 Lakhs and excluding interest for earlier years up to 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi on 11th March 2014. Since the Company had already deposited the service tax payable, as determined by the tax authorities, before issuance of the show cause notice for levy of the penalty, it is contesting before the above appellate authorities that it is not liable to pay any penalty and interest.		
*An appeal has been filed by AHNL before Supreme Court against Customs, Excise and Service Tax Appellate Tribunal (CESTAT) demand for Rs. 2,14,61,690/-	214.62	214.62
(c) Additional bonus liability for the financial year 2014-15 owing to amendment made in "The Payment of Bonus Act, 1965" w.r.e.f. 1st April, 2014, has not been provided for as the matter is subjudice before various High Courts in the country.	-	-
(d) Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, and the Company has been made one of the respondents. The same relative has also filed a consumer complaint/petition, before the National Consumer Dispute Redressal Commission (NCDRC), against the Hyatt Hotels Corporation, Chicago and Hotel Hyatt Regency, Delhi, seeking compensation for the above injured person on various counts. Any consequence on the outcome of the above writ petition and the Consumer complaint before the NCDRC can not be ascertained.	-	-
(e) The Company has, on February 11th, 2020 received a demand Notice dated 05.02.2020 from the Asstt. Assessor & Collector (HQ), 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.	3,725.29	3,725.29
(f) Termination of Space Buyer Agreeemnt (SBA)		
The Company has received Rs. 1,89,00,000/- under the SBA for Property- Unit number 1005 admeasuring approximately 750 sq. ft. super area situated on the 1 st Floor of the Block A- New Tower situated at District Centre, Bhikaji Cama Place, R. K. Puram, New Delhi. The Company has called upon for balance payment i.e. Rs. 47,25,000/- but party defaulted for such payment & Company terminated SBA. Party has filed suit for specific performance seeking relief for value of Rs. 2,36,25,000/- case is pending in Delhi High Court	189.00	189.00

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 34. CONTINGENT LIABILITIES AND COMMITMENTS...contd.

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(g) The Company has let out the commercial property Premises unit No. 404, 405 & 406 on 4th floor of Block-A "Hyatt Regency Complex" situated at District Centre, Bhikaji Cama Place, R. K. Puram, New Delhi. The tenant was defaulted in rent payment & demanding its security deposit of Rs. 54,70,206/-. The Tenant has moved to the Hon'ble Delhi Hgh Court for refund of security deposit along with interest @18% p.a. The Company has made counter claim for Rs. 2,60,51,560/-.	54.70	54.70
(h) Income Tax Matters against which appeal filed before Appellate Authority. Considering the facts of the matters, management is of the view that there will not be any material impact on accounts on finalization appeal.	1,329.20	-
(i) Deposit for Car Parking of Apartment Tower Vistrat Real Estates Private Limited has issued demand notice for refund of refundable security deposit. The matter is pending for arbitration. (Refer Notes to Accounts 23 - Current - Other Financial Liabilities)	1,500.00	-
(j) Rental Expenses related terminated lease agreements The company has terminated Lease agreements of Apartments. Due to such termination Rent Expenses not provided for from April, 2020 till March, 2022. Some parties have litigated such termination & demanded payment of monthly lease rental.	1,434.32	-
(k) Shopping Arcade The Company has terminated the license agreement of shopping arcade located in premises of hotel & ask to vacate the same with the time provided. Parties has disputed the same. Now matter is subjudice. Management is confident that they will able get shops vacated.	180.13	-
(l) Commitment Charges Commitment Charges to various parties not booked on account of litigation by the parties & future outcome is uncertain.	123.61	-
(m) TDS related dues appearing on TRACES portal (subject to reconciliation and adjustment)	3.79	8.05

### Notes:

- 1 It is not practicable to estimate the timing of cash outflows, if any, in respect of matters stated above, pending resolution of the proceedings.

### COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	-	189.80
(b) Future commitments in respect of assets acquired under Finance Schemes:		
Minimum instalments payable within one year	53.78	92.66
later than one year but not later than five years	4.06	78.60
Present value of minimum instalments payable within one year	51.61	82.92
later than one year but not later than five years	4.04	75.17

## 35. SEGMENT REPORTING

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 those segments though 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, the Company is required to give a separate disclosure for the same in the financial statements. 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 respectively.

Particulars	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>Segment Revenue</b>		
a. External Sales		
- Hotel Business	12,756.16	6,793.51
- Power generation operations	53.79	150.35
- Real Estate Operation	242.59	314.42
	<u>13,052.54</u>	<u>7,258.29</u>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 35. SEGMENT REPORTING...contd.

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
b. Other Operating Income		
- Hotel Business	409.11	186.67
- Power generation operations	-	-
- Real Estate Operation	-	-
	<u>409.11</u>	<u>186.67</u>
Total Income (a+b)	<u>13,461.66</u>	<u>7,444.97</u>
<b>Segment Expenses</b>		
- Hotel Business	14,334.28	10,463.87
- Power generation operations	114.31	136.47
- Real Estate Operation	514.96	337.30
	<u>14,963.55</u>	<u>10,937.64</u>
<b>Finance cost</b>		
- Hotel Business	7,314.27	6,178.98
- Power generation operations	-	-
- Real Estate Operation	3,664.99	2,926.44
	<u>10,979.27</u>	<u>9,105.43</u>
<b>Segment Results</b>		
- Hotel Business	(8,483.28)	(9,662.67)
- Power generation operations	(60.52)	13.89
- Real Estate Operation	(3,937.36)	(2,949.32)
<b>Profit before Income Tax</b>	<u>(12,481.16)</u>	<u>(12,598.10)</u>
<b>Income tax Expenses</b>	-	-
<b>Profit After Income Tax</b>	<u>(12,481.16)</u>	<u>(12,598.10)</u>
<b>Segment Assets</b>		
- Hotel Business	1,39,212.29	1,50,434.98
- Power generation operations	724.25	951.44
- Real Estate Operation	15,658.46	6,697.03
	<u>1,55,595.00</u>	<u>1,58,083.46</u>
<b>Segment Liabilities</b>		
- Hotel Business	1,48,564.09	1,51,171.93
- Power generation operations	144.77	366.96
- Real Estate Operation	6,886.14	6,544.57
	<u>1,55,595.00</u>	<u>1,58,083.46</u>

## 36. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

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

### (a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 156.62 Lakhs (Previous Year Rs. 155.61 Lakhs)

### (b) Defined benefit plans

- Gratuity
- Compensated absences - Earned leave

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 36. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS...contd.

### Economic Assumptions

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

### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 7.18% p.a. (Previous Year 6.91% p.a.) compound has been used.

### Salary Escalation Rate

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

The assumptions used are summarized in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2022	As at 31-03-2021	As at 31-03-2022	As at 31-03-2021
Discount rate(per annum)	7.18%	6.91%	7.18%	6.91%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	NA	NA	NA	NA
Mortality Rates	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement age	58 Years	58 Years	58 Years	58 Years
Withdrawal rates				
- Up to 30 years	3.00%	3.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Change in present value of the defined benefit obligation during the year</b>				
Present value of obligation as at the beginning of the year	612.88	641.60	61.53	92.48
Adjustment*	(258.93)	-	-	-
Interest Cost	42.35	44.40	4.25	6.40
Current Service Cost	24.43	38.74	19.08	22.15
Benefits Paid	(74.15)	(45.97)	(26.45)	(11.64)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	0.00	-	0.00	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(5.20)	0.22	(1.51)	0.04
Actuarial (Gain)/Loss on arising from Experience Adjustment	(36.21)	(66.12)	2.40	(47.91)
Present value of obligation as at the end of the year	305.17	612.88	59.30	61.53

### Change in fair value of plan assets during the year

Fair Value of plan assets at the beginning of the year	NA	NA	NA	NA
Interest Income	NA	NA	NA	NA
Contributions by the employer	NA	NA	NA	NA
Benefits paid	NA	NA	NA	NA
Return on plan assets	NA	NA	NA	NA
Fair Value of plan assets at the end of the year	NA	NA	NA	NA

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 36. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS...contd.

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Net Asset/ (Liability) recorded in the Balance Sheet</b>				
Present value of obligation as at the end of the year	(305.17)	(612.88)	(59.30)	(61.53)
Net Asset/ (Liability)-Current	(42.46)	(323.97)	(13.76)	(13.88)
Net Asset/ (Liability)-Non-Current	(262.71)	(288.91)	(45.54)	(47.65)
<b>Expenses recorded in the Statement of Profit &amp; Loss during the year</b>				
Interest Cost	42.35	44.40	4.25	6.40
Current & Past Service Cost	24.43	38.74	19.08	22.15
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-	-	(1.51)	0.04
Actuarial (Gain)/Loss on arising from Experience Adjustment	-	-	2.40	(47.91)
Total expenses included in employee benefit expenses	66.78	83.14	24.22	(19.31)
<b>Recognized in Other Comprehensive Income during the year</b>				
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.00	-	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(5.20)	0.22	-	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	(36.21)	(66.12)	-	-
Recognized in Other Comprehensive Income	(41.41)	(65.89)	-	-
<b>Maturity profile of defined benefit obligation</b>				
Within 12 months of the reporting period	42.46	323.97	13.76	13.88
Between 2 and 5 years	149.74	120.50	13.04	21.84
6 Years and onwards	112.97	168.41	32.50	25.82
<b>Quantitative sensitivity analysis for significant assumption is as below:</b>				
Increase/ (decrease) on present value of defined benefit obligation at the end of the year				
Half percentage point increase in discount rate	(9.35)	(10.85)	(2.60)	(2.10)
Half percentage point decrease in discount rate	10.04	11.67	2.85	2.29
Half percentage point increase in salary increase rate	10.21	11.83	2.90	2.32
Half percentage point decrease in salary increase rate	(9.58)	(11.09)	(2.67)	(2.15)

### Expected contribution to the defined benefit plan for the next reporting period

\*Represents liability crystallized during the year on account of retirement of Mr S K Jatia dated October 21, 2021

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Expected contribution to the defined benefit plan for the next reporting period (Gratuity)	53.50	77.63
Expected contribution to the defined benefit plan for the next reporting period (Compensated Absences Earned Leave)	30.75	28.75

## 37. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), the Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to spend at least 2% of the average net profits determined under section 198 of the Companies Act 2013 during the immediately three financial years. However, due to inadequacy of profits as per Section 198 of the Companies Act, 2013, the company is not required to spend any amount on CSR activities for Financial Year 2021-22

Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. NIL)

## 38. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
(a) Value of imports calculated on CIF basis		
Food and beverages	3.25	2.62
Stores and spares	-	-
Capital goods	-	-
Beverages - through canalizing agencies	-	-

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 38. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY...contd.

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
(b) Expenditure in foreign currency		
Technical services (Royalty)	52.48	25.37
Technical services (Professional and consultation fees)	197.82	258.79
Interest on Foreign Currency Loan	1,203.57	1,793.54
Commission and brokerage	82.88	19.83
Software Expense	1.77	1.78
Advertisement and publicity	-	0.31
Entertainment Expense	3.82	3.02
-Miscellaneous	1.61	-
(c) Earning in foreign currency		
Revenue from operations (As reported by the management of the Company and certified by an independent Chartered Accountant)	1,603.72	1,032.23

## 39. DERIVATIVE INSTRUMENTS

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2022 and 31st March, 2021 are as under:

	As at 31st March, 2022		As at 31st March, 2021	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
<b>Receivables</b>				
Loans and advances given				
(in USD)	-	-	10,420	7.54
Other Receivable				
(in USD)	-	-	4,38,279	317.33
<b>Payables</b>				
Trade payables				
(in USD)	81,48,697	6,177.29	71,90,627	5,206.34
External Commercial Borrowings (ECBs)				
(in USD)	3,37,07,770	25,552.88	3,21,45,374	23,274.73
Interest on ECBs				
(in USD)	7,16,150	542.89	7,13,231	516.41

## 40. COVID 19 IMPLICATIONS

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.

## 41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

### (a) Related Parties

- Subsidiaries	Fineline Hospitality & Consultancy Pte Limited Lexon Hotel Ventures Limited Leading Hotels Limited (Under CIRP process vide order dated June 25, 2021)
- Key Management Personnel	Mr. Shiv Kumar Jatia (Resigned w.e.f October 21, 2021) Chairman & Managing Director Ms. Anita Thapar (Resigned w.e.f August 01, 2020) Whole Time Director

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24...contd.

	Mr. Amritesh Jatia (Appointed as Managing Director w.e.f October 23, 2021)	Managing Director
	Mr. Dipendra B Goenka (Resigned w.e.f April 30, 2020)	Non-Executive Director
	Mr. Akhilesh Bhuwarka (Appointed w.e.f June 18, 2020)	Non-Executive Director
	Mr. Dinesh Kumar Jain (Resigned w.e.f June 08, 2021)	Company Secretary
	Dr. Lalit Bhasin (Resigned w.e.f. November 8, 2021)	Independent Director
	Mr. Dinesh Chandra Kothari (Resigned w.e.f August 10, 2021)	Independent Director
	Mr. Rajeev Uberoi (Appointed w.e.f. August 11, 2021 & Resigned w.e.f 10 th April, 2022)	Independent Director
	Mr. Sanjeev Agarwala (Appointed w.e.f October 01, 2021)	Independent Director
	Ms. Preeti Gandhi (Appointed w.e.f September 13, 2020)	Independent Director
	Mr. Pinaki Misra (Resigned w.e.f September 03, 2020)	Independent Director
	Mr. Ranjan k. Bhattacharya (Resigned w.e.f September 07, 2020)	Independent Director
	Ms. Saumya Goel (Appointed w.e.f. August 11, 2021 & Resigned w.e.f May 19, 2022)	Company Secretary
	Mr. Ashish Dhanuka (Appointed w.e.f. July 24, 2021 as CFO) (Appointed w.e.f 23rd October 2021 as CFO & Executive Director)	Chief Financial Officer and Executive Director
	Mr. Prakash Chandra Sharma (Resigned w.e.f September 12, 2020)	Chief Financial Officer
	Mr. Dinesh Bhalotia (Appointed w.e.f September 13, 2020 & (Resigned w.e.f January 28, 2021)	Chief Financial Officer
-	Relative of Key Management Personnel Mr. Amritesh Jatia	Managing Director and son of Mr. Shiv Kumar Jatia Wife of Mr. Shiv Kumar Jatia Brother of Mr. Shiv Kumar Jatia Brother of Mr. Shiv Kumar Jatia
-	Entities controlled by Directors or their relatives (with whom transactions entered into during the financial year)	Bhasin & Co. Energy Infrastructure (I) Limited Experimental Restaurants Private Limited Deuchny Properties Ltd., Mauritius PGA Law Offices LLP RSJ Holdings Ltd, Mauritius Lemon Squeeze 2021 Private Limited

### (b) Transactions with related parties:

	Subsidiaries		Key Management Personnel and their relatives		Entities controlled by Directors or their relatives		Total	
	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Room, Food, Beverages and other services	-	-	0.13	3.20	-	-	0.13	3.20
Day to day operations and Technical assistance services	-	-	-	-	1.38	4.57	1.38	4.57
Remuneration	-	-	392.84	306.27	-	-	392.84	306.27
Professional Charges	-	-	-	-	9.02	2.62	9.02	2.62
Advance for Services	-	-	-	-	-	90.00	-	90.00
Purchases	-	-	-	-	-	0.11	-	0.11
Amount written off	6.89	-	-	-	25.76	-	32.65	-
Other Financial Transactions	-	-	37.78	-	506.28	-	544.06	-
Director's Sitting fees	-	-	7.50	21.75	-	-	7.50	21.75

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24...contd.

### Balance Outstanding

	Payable		Receivable	
	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Subsidiaries	-	-	-	6.89
Key Management Personnel and their relatives	306.53	220.57	0.41	0.54
Entities controlled by Directors or their relatives	511.03	21.04	91.61	140.61
<b>Total</b>	<b>817.55</b>	<b>241.62</b>	<b>92.02</b>	<b>148.03</b>

### Note:

- The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.
- The details of guarantees and collaterals extended by the related parties in respect of borrowings of the Company have been given at the respective notes.

### (c) Disclosure in respect of related party-wise transactions

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>Room, Food, Beverages and other services</b>		
Experimental Restaurants Private Limited	-	-
Mr. Ranjan K. Bhattacharya	-	1.06
Mr. Pinaki Misra	-	1.39
Dr. Lalit Bhasin	-	0.60
Mr. Dinesh Jain	0.13	0.14
<b>Day to Day Services</b>		
Experimental Restaurants Private Limited	-	4.16
Lemon Squeezee Private Limited	1.32	-
<b>Remuneration</b>		
Mr. Shiv Kumar Jatia*	370.67	231.58
Ms. Anita Thapar*	-	22.96
Mr. Dinesh Kumar Jain*	6.27	35.88
Mr. Prakash Chandra Sharma*	-	14.34
Mr. Dinesh Kumar Bhalotia*	-	1.51
Mr. Ashish Dhanuka*	9.32	-
Ms. Saumya Goel*	6.58	-
<b>Professional Charges</b>		
Bhasin & Co.	5.40	2.62
PGA Law Offices LLP	3.62	-
<b>Purchases</b>		
Experimental Restaurants Private Limited	-	0.11
Payments Made / Expenses incurred on behalf of Related Party Experimental Restaurants Private Limited	0.06	0.41
<b>Director's Sitting fees</b>		
Mr. Ranjan K. Bhattacharya	-	3.50
Dr. Lalit Bhasin	-	7.00
Mr. Pinaki Misra	-	2.75
Mr. Dinesh Chandra Kothari	-	5.25
Ms. Preeti Gandhi	-	2.00
Mr. Akhilesh Bhulwalkha	-	1.25
Mr. Rajeev Uberoi	3.50	-
Mr. Sanjeev Agarwala	4.00	-
<b>Amount Written off</b>		
Experimental Restaurants Private Limited	25.76	-
leading Hotels Limited	6.89	-

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 41. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24...contd.

	2021-22 (Rs. In Lakhs)		2020-21 (Rs. In Lakhs)	
<b>Advances for Services</b>				
Bhasin & Co.		-		90.00
<b>Other Financial Transactions</b>				
Asian Holdings Pvt. Ltd.		506.28		-
Mr. Shiv Kumar Jatia		37.78		-
<b>Balance Outstanding</b>				
	<b>Payable</b>		<b>Receivable</b>	
	<b>As at 31-03-2022 (Rs. In Lakhs)</b>	<b>As at 31-03-2021 (Rs. In Lakhs)</b>	<b>As at 31-03-2022 (Rs. In Lakhs)</b>	<b>As at 31-03-2021 (Rs. In Lakhs)</b>
Experimental Restaurants Private Limited	-	17.93	-	44.36
Leading Hotels Limited	-	-	-	6.89
Energy Infrastructure (I) Limited	-	-	4.00	4.00
Bhasin & Co.	3.47	3.11	87.61	92.25
Asian Holding Pvt. Ltd.	506.28	-	-	-
PGA Law Office LLP	0.01	-	-	-
Lemon Squeezee Private 2021 Limited	1.26	-	-	-
Mr. Shiv Kumar Jatia	300.71	166.83	-	-
Mr. Amrithesh Jatia	-	8.13	-	-
Mr. Ramesh Jatia	-	1.89	-	-
Mr. Raj Kumar Jatia	-	8.61	-	-
Mr. Dinesh Kumar Jain	-	1.69	-	-
Mr. Dinesh Chandra Kothari	-	12.99	-	-
Mr. Dipendra B Goenka	-	0.05	-	-
Mr. Pinaki Misra	-	0.69	0.19	0.53
Mr. Ranjan Kishore Bhattacharya	-	3.24	-	0.01
Mr. Akhilesh Bhuwalka	1.25	1.16	0.09	-
Ms. Preeti Gandhi	0.75	0.69	0.06	-
Mr. Rajeev Uberoi	2.00	-	-	-
Mr. Ashish Dhanuka	1.01	-	-	-
Ms. Saumya Goel	0.81	-	-	-
Dr. Lalit Bhasin	-	14.61	0.08	-

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

\* These include Provident Fund paid / payable by the employer.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 42. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 42. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS..contd.

### I. Figures as at March 31, 2022

Financial Instrument	Carrying Amount				Fair value				
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total

#### Non Current Assets

##### Financial Assets

(i) Investments	-	-	-	-	-	-	-	-	-
(ii) Loans	-	-	-	17.69	17.69	-	-	-	-
(iii) Others	-	-	-	-	-	-	-	-	-

##### Current Assets

##### Financial Assets

(i) Trade Receivables	-	-	-	1,100.59	1,100.59	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	141.04	141.04	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	512.24	512.24	-	-	-	-
(iv) Others	-	-	-	308.43	308.43	-	-	-	-
	-	-	-	2,079.99	2,079.99	-	-	-	-

#### Non Current Liabilities

##### Financial Liabilities

(i) Borrowings	-	-	-	87,259.73	87,259.73	-	-	-	-
(ii) Others	-	-	-	78.48	78.48	-	-	-	-

##### Current Liabilities

##### Financial Liabilities

(i) Borrowings	-	-	-	19,516.78	19,516.78	-	-	-	-
(ii) Trade Payables	-	-	-	9,471.89	9,471.89	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	3,907.64	3,907.64	-	-	-	-
	-	-	-	1,20,234.52	1,20,234.52	-	-	-	-

### II. Figures as at March 31, 2021

Financial Instrument	Carrying Amount				Fair value				
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total

#### Non Current Assets

##### Financial Assets

(i) Investments	-	142.54	142.54	-	142.54	-	-	142.54	142.54
(ii) Loans	-	-	-	29.10	29.10	-	-	-	-
(iii) Others	-	-	-	-	-	-	-	-	-

##### Current Assets

##### Financial Assets

(i) Trade Receivables	-	-	-	1,429.89	1,429.89	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	97.53	97.53	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	71.37	71.37	-	-	-	-
(iv) Others	-	-	-	286.73	286.73	-	-	-	-
	-	142.54	142.54	1,914.62	2,057.16	-	-	142.54	142.54

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 42. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS..contd.

Financial Instrument	Carrying Amount				Fair value				
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current Liabilities</b>									
<b>Financial Liabilities</b>									
(i) Borrowings	-	-	-	84,684.58	84,684.58	-	-	-	-
(ii) Others	-	-	-	1,525.47	1,525.47	-	-	1,525.47	1,525.47
<b>Current Liabilities</b>									
<b>Financial Liabilities</b>									
(i) Borrowings	-	-	-	11,199.00	11,199.00	-	-	-	-
(ii) Trade Payables	-	-	-	9,487.13	9,487.13	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	3,007.13	3,007.13	-	-	-	-
	-	-	-	1,09,903.31	1,09,903.31	-	-	1,525.47	1,525.47

During the reporting period ending March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

## 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Managing Board.

### Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

### Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The company is not exposed to significant interest rate risk as at the specified reporting date.

Refer Note 19 and Note 22 for interest rate profile of the Company's interest-bearing financial instrument at the reporting date.

### Foreign currency risk

The Company operates locally, however, the nature of its operations requires it to transact in several currencies and consequently the Company is exposed to foreign exchange risk in various foreign currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies.

#### I. Foreign Currency Exposure

Refer Note 39 for foreign currency exposure as at March 31, 2022 and March 31, 2021 respectively.

#### II. Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

Currency	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(322.73)	322.73	(286.73)	286.73
<b>Total</b>	<b>(322.73)</b>	<b>322.73</b>	<b>(286.73)</b>	<b>286.73</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES..contd.

### Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the company compares the risk of a default occurring on the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,
- (iv) Significant increase in credit risk on other financial instruments of the same counterparty.
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorizes a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

### I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	(Rs. In lakhs)	
	As at 31-03-2022	As at 31-03-2021
Non-current financial assets - Loans	17.69	29.10
Current financial assets - loans	-	-
Total (A)	17.69	29.10

### II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

Particulars	(Rs. In lakhs)	
	As at 31-03-2022	As at 31-03-2021
Trade Receivables	1,100.59	1,429.89
Total (B)	1,100.59	1,429.89
Grand Total (A+B)	1,118.28	1,458.99

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

### III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

Particulars	(Rs. In lakhs)	
	As at 31-03-2022	As at 31-03-2021
Up to 3 months	899.33	834.83
3 to 6 months	26.07	30.57
More than 6 months	191.20	575.22
Less: Provision for doubtful debts	(16.00)	(10.73)
Total	1,100.59	1,429.88

### IV. Provision for expected credit losses again "II" and "III" above

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Company believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES..contd.

### Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

### Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31-03-2022				As at 31-03-2021			
	Less than 1 year	1 to 5 years	Above 5 Years	Total	Less than 1 year	1 to 5 years	Above 5 Years	Total
Non-current financial liabilities - Borrowings	-	48,358.93	38,900.80	87,259.73	-	29,707.14	54,977.44	84,684.58
Non-current financial liabilities - Others	-	78.48	-	78.48	-	1,525.47	-	1,525.47
Current financial liabilities - Borrowings	19,516.78	-	-	19,516.78	11,199.00	-	-	11,199.00
Current financial liabilities - Trade Payables	9,471.89	-	-	9,471.89	9,336.80	-	-	9,336.80
Current financial liabilities - Others	3,907.64	-	-	3,907.64	3,007.13	-	-	3,007.13
<b>Total</b>	<b>32,896.31</b>	<b>48,437.41</b>	<b>-</b>	<b>1,20,234.52</b>	<b>23,542.93</b>	<b>31,232.61</b>	<b>54,977.44</b>	<b>1,09,752.98</b>

### Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	As at 31-03-2022	As at 31-03-2021
Total Debt	1,06,776.51	95,883.58
Equity	24,713.19	37,152.93
<b>Capital and net debt</b>	<b>1,31,489.70</b>	<b>1,33,036.51</b>
<b>Gearing ratio</b>	<b>81.21%</b>	<b>72.07%</b>

### Note: 44 Additional Regulatory Information

(i) Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	Variance
Current Ratio	Current assets	Current liabilities	0.07	0.08	-18.35%
Debt – Equity Ratio	Total Debt	*Shareholder's Equity	4.32	2.58	40.27%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.02	(0.11)	705.88%
Return on Equity (ROE)	Net Profits after taxes	*Average Shareholder's Equity	-40%	-137%	-239.59%
Inventory Turnover Ratio	Sales	Average Inventory	23.31	9.22	60.44%
Trade receivables turnover ratio	Revenue	Average Trade Receivable	10.64	5.50	48.29%
Trade payables turnover ratio	Purchases services of and other expenses	Average Trade Payables	0.86	0.62	28.40%
Net capital turnover ratio	Revenue	Working Capital	-0.33	-0.23	29.55%
Net profit ratio	Net Profit	Revenue	-93%	-934%	-907.05%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	-1.18%	-2.70%	-129.77%
Return on Investment(ROI)	Income generated from investments	Time weighted average investments	-	-	-

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**Note: 44 Additional Regulatory Information..contd.**

**Note :-**

\*Revaluation Reserve of Rs.41348.25 Lakhs (Rs. 42289.08 Lakhs in FY 2020-21) is considered as part of Shareholder's equity for the purpose of calculation of ratios.

**Remarks for change in ratio by more than 25% with respect to previous year :-**

## **Debt – Equity Ratio**

Ratio is adverse because of continuous increase in Debts (due to capitalization of Interest & Creation of FITL) and decrease in Equity due to continuous loss.

## **Debt Service Coverage Ratio**

Ratio is adverse as company unable to generate enough cash to service its outstanding Debts. There is negligible improvement in ratio due to partial recovery in the business considering the reduced impact of COVID-19.

## **Return on Equity (ROE)**

Ratio has become more favourable as compared to previous year because of following reasons:-

- i) Reduction in losses as there are exceptional items during the current year unlike previous year.
- ii) Decreases in Average Shareholder's Equity because of continuous business loss being incurred.

## **Inventory Turnover Ratio & Trade receivables turnover ratio**

Ratio has become more favourable as compared to previous year because last year due COVID- 19 pandemic operations of hotels & restaurants closed for substantial period during year which resulted in ineffective utilization of inventory & non receipt of dues from corporate clients.

## **Trade payables turnover ratio**

Due to cash crunch company has been unable to repay its operational creditors which resulted in adverse ratio overall. However, there is slight improve due to recovery of business during the year and hence the ratio improved from 0.62 to 0.82 during the year.

## **Net capital turnover ratio**

Ratio is negative because Working capital of the company is negative & the ratio has become more adverse because working capital pressure is more and the current liabilities exceed current assets by a higher amount during the current year as compared to the last year.

## **Net profit ratio**

Ratio is adverse due to losses incurred by company. There is improvement in ratio as company has made operational profit during the year & unlike previous year there is no exceptional item during the current year.

## **Return on capital employed (ROCE)**

- Ratio is in negative due to negative EBIT
- There is improvement in ratio as compared to last year due improvement in EBIT.
- ii) Registration of charges or satisfaction with Registrar of Companies (ROC)

There were 2 delays in filing. One for Registration of Charge and other for Satisfaction of Charge during the financial year 2021-22:

- a) Form CHG-4 pertaining to satisfaction of charge of loan amount of Rs. 1,61,60,342/- from SREI Equipment Finance Limited was filed beyond 30 days vide SRNo. T19669159 dated 21st May, 2021 and an additional fee of RS. 1200/- was paid along with normal fee of Rs. 600/- .The delay was due to the pandemic.
- b) Form CHG-1 submitted with MCA beyond 30 days vide SRN T39508361 dated 31.08.2021. This form pertain to charge creation regarding FITL for an amount of Rs. 44,80,000/- from Bank of Maharashtra. Additional fee of Rs. 3600/- was paid along with normal fee of Rs. 600/-. The delay was due to technical reasons.

## **Note: 45 : Current State 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. The major reasons for stress, due to outbreak of Covid -19 are:

1. Travel Restrictions announced on international travel throughout the globe.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**Note: 45 : Current State of Business Operations..contd.**

2. Substantial decline in room occupancy level
3. Substantial decline in F & B and other support services income
4. Decline in income of restaurants
5. Increase in level of Debt due to regular interest application as fixed expenses
6. CRE activity of company also came to halt during pandemic period due to general economic slowdown in the country

As 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 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 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 29, 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 intimation from the National E-Governance Services Ltd that the loan recalled by Yes Bank has now been regularized.

**2. 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.

**Note: 46 : Regrouped, Recast, Reclassified**

Figures of the earlier year have been regrouped or reclassified to confirm to Ind AS presentation requirements.

The accompanying notes are integral part of the financial statements

"As per our report of even date attached"

**ON BEHALF OF THE BOARD OF DIRECTORS**

**For V V KALE & CO.**  
Chartered Accountants  
Firm Registration No. 000897N

**Vijay V. Kale**  
Partner  
Membership Number: 080821

**AMRITESH JATIA**  
Managing  
Director  
DIN: 02781300

**ASHISH DHANUKA**  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

**Place: New Delhi**  
**Dated: 28th May, 2022**  
**UDIN: 22080821AKQCOU1297**



# ASIAN HOTELS (NORTH) LIMITED

## FORM AOC-1

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

### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

Name of Subsidiary	Fineline Hospitality & Consultancy Pte Ltd		Lexon Hotel Ventures Limited	
	Date since acquired		Date since acquired	
	18.10.2010		29.01.2013	
	INR in Lakhs	USD in Lakhs	INR in Lakhs	USD in Lakhs
1. Reporting Period	31st March, 2022		31st March, 2022	
2. Share Capital	79,210.28	1,044.89	1.25	0.02
3. Other Equity	-79,213.89	-1,044.94	-1,149.53	-15.16
4. Total Assets	0.00	0.00	0.00	0.00
5. Total Liabilities	3.91	0.05	1,148.28	15.15
6. Investments	0.00	0.00	0.00	0.00
7. Turnover	0.00	0.00	0.00	0.00
8. Profit / (Loss) before taxation	-74,530.92	-999.98	-15,285.66	-205.09
9. Provision for taxation	0.00	0.00	0.00	0.00
10 Profit / (Loss) after taxation	-74,530.92	-999.98	-15,285.66	-205.09
11. Total Comprehensive Income	0.00	0.00	0.00	0.00
12. Proposed Dividend	-	-	-	-
13. % of shareholdings	100.00		80.00	

#### Notes:

- i) Converted into Indian Rupees at the closing exchange rate USD 1 = INR 75.8071 and average rate USD 1 = INR 74.53
- ii) These Financial statements of Subsidiaries have been audited by the auditors other than the Statutory Auditors of the Company, i.e. V.V. Kale & Co.
- iii) The Company has not divested its interest in any subsidiary during the year under review but lost control over domestic subsidiary i.e. Leading Hotels Limited due initiation of Corporate Insolvency Resolution Process (CIRP) vide order dated June 25, 2021.

ON BEHALF OF THE BOARD OF DIRECTORS

**AMRITESH JATIA**  
Managing  
Director  
DIN: 02781300

**ASHISH DHANUKA**  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: New Delhi  
Dated: 28/05/2022

# ASIAN HOTELS (NORTH) LIMITED

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## Independent Auditor's Report

To the Members of Asian Hotels (North) Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Asian Hotels (North) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Subject to foregoing, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and its consolidated loss, total consolidated comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Emphasis of Matters

We draw attention to the following matters in the Notes to the Consolidated financial statements:

##### A. Contingent Liabilities

Refer Note 35 which describes the uncertainty related to the outcome of certain disputes and law-suits filed against the Group. The impact (if any) of these disputes/law-suits on the Consolidated financial statements of the Group could not be ascertained.

##### B. Implications owing to COVID-19 Pandemic

Refer Note 41 with reference to implications of Covid-19 pandemic. the business of the Group 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 Group has assessed the impact of COVID-19 on the future cash flow projections. The Group has also prepared a range of scenarios to estimate financing requirements. The Group 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 consolidated financial statements of the Group.

Based on the current indicators of future economic conditions, the Group 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 Group will continue to monitor the material changes in future economic conditions and would recognize any significant impact of these changes affecting the Group, in the consolidated financial statements, as and when these conditions arise.

##### C. One Time Restructuring & Status of Repayments

We draw attention to Note 18 to the consolidated Financial Statements relating to long term borrowings. 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 No.s) entered into a Inter-Creditor Agreement on December 09, 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 08, 2021.

Under the terms of the One Time Restructuring, the group was required to infuse additional funds by way of CRE Sales and also equity investment. However, the group was unable to do either due to reasons specified in the said Notes. Accordingly, the group 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 18 to the consolidated Financial Statements, 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.

##### D. Provision for Diminution in Value of Investment

Refer Note 46 & 34 to the Financial Statements relating to Provision for Diminution in the Value of Investment. 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 the uncertainty related to realization of amount from the insolvency process the value of investment is impaired during FY 2020-21 by the Parent entity. Further, during financial year 2021-22 the Direct Subsidiary, i.e., Fineline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL) 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.

# ASIAN HOTELS (NORTH) LIMITED

## E. Current Status of Business Operations

We draw attention to Note 47 to the Consolidated Financial Statements relating to the 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 group. Further, Commercial Real Estate Sales ("CRE") activity of the group 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 group. 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 group 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 group was required to infuse funds in the group through CRE Sales and further equity infusion. However, the group 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 45 to the Financial Statements.

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 group 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 group 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 group to continue as a Going Concern.

Our opinion is not modified in respect of the above matters "A" to "E" above.

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

### 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 of the current period. 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.

Key Audit Matter Description	Responses to Key Audit Matter
<p><b>A. Assessment of recoverability of Deferred Tax Assets recognized on tax losses (Refer Note 8 to the Consolidated Financial statements.)</b></p> <ul style="list-style-type: none"> <li>- The Group 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 Group's assessment of availability of future taxable profit to offset such tax losses based on business projections for the future years.</li> <li>- 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.</li> </ul> <p>This was considered as a key audit matter as the amount is material to the Consolidated Financial statements and significant judgement in key assumptions were required by the Group'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> <ul style="list-style-type: none"> <li>(i) Evaluation of the design and testing pertaining to effectiveness of Group's controls relating to taxation and the assessment of carrying amount of deferred tax assets relating to unabsorbed tax losses;</li> <li>(ii) Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment considering that the Group operates in a highly competitive industry which is subject to disruptions through changing macro scenario;</li> <li>(iii) Comparing the Group's performance for the year with the approved budget to assess the reasonableness of the assumptions;</li> <li>(iv) Comparing the Group's projections of future taxable profit to the approved business plans;</li> <li>(v) Testing, whether projections prepared were consistent with our understanding and knowledge of current business and the general economic environment in which the Group operates and whether the tax losses can be utilized within the forecast recoupment period;</li> <li>(vi) Testing the assumptions used by analyzing the impact on taxable profit using different growth rates and profit margins;</li> <li>(vii) Reviewing the adequacy of disclosures made in the Consolidated Financial statements with regard to deferred taxes.</li> </ul> <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.</p>

# ASIAN HOTELS (NORTH) LIMITED

<p><b>B. Assessment of ability to continue as Going Concern</b></p> <ul style="list-style-type: none"> <li>- The Group has incurred operational losses during FY 2021-22 on account of COVID-19 situation and consequent erosion of capital and related crunch.</li> <li>- Due to the creation of provision for diminution in the value of investment in the Subsidiary Company in FY 2020-21 &amp; FY 2021-22, the Net Worth of the group as at March 31, 2022 has continued to be hit.</li> <li>- The Group 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 group 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 group 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.</li> </ul> <p>This was considered as a key audit matter as the ability to continue as a going concern is material to the preparation of Consolidated Financial statements.</p>	<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 Group'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) Reviewing actions undertaken by management to monetize CRE Assets;</li> <li>(iv) Comparing the Group'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 Consolidated Financial statements with regard to Status of Business Operations.</li> </ul> <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, 2022. However, the same will be subject to on-going review and assessment during FY 2022-23 as the ability of the group 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

The Group 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 Group is required to pay interest on such delayed payments amounting to INR 11.31 Lakhs. As per the Group, 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.

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

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

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

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

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

# ASIAN HOTELS (NORTH) LIMITED

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## Auditor's Responsibilities for the Audit of the Consolidated Financial statements

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

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

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

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

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

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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) Except for the effects of the matter described in paragraph of Basis for Qualified Opinion above, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account mentioned for the purpose of preparation of the consolidated financial statement;
- (d) Except for the effects of the matter described in paragraph I & II of the Basis of Qualified Opinion above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

# ASIAN HOTELS (NORTH) LIMITED

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- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company of its subsidiary incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, its and its subsidiary companies incorporated in India, refer to our separate report in "Annexure - B" to this report;
- (g) In our opinion and based on the consideration of reports of, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiary to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 34 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary incorporated in India during the year ended March 31, 2022.
  - iv. The Management of the Company have represented that, during the financial year ending March 31, 2022, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - v. The Management has represented, that, during the financial year ending March 31, 2022, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
  - vii. The company has not declared or paid any dividend during the financial year ended 31st March, 2022 and thus the reporting requirement as per Rule 11(f) is not applicable.

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

**Vijay V. Kale**  
Partner  
Membership No: 080821  
UDIN: 22080821AKQDNK5968

**Place: New Delhi**  
**Date: 28th May, 2022**

## **Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of Asian Hotels (North) Limited ("the Company") on the consolidated financial statements for the year ended 31st March 2022, we report that:

Paragraph from (i) to (xx) not applicable to Consolidated financials Statements

(xxi) We have not received the signed audit report from the auditors of the Companies included in the consolidated financial statement and hence are unable to comment on the qualifications or adverse remarks in the same.

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

**Vijay V. Kale**  
Partner  
Membership No: 080821  
UDIN: 22080821AKQDNK5968

**Place: New Delhi**  
**Date: 28th May, 2022**



# ASIAN HOTELS (NORTH) LIMITED

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## Annexure B to the Independent Auditor's Report

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

In conjunction with our audit of the consolidated financial statements of Asian Hotels (North) Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Asian Hotels (North) Limited (hereinafter referred to as the "Holding Company").

#### Management's Responsibility for Internal Financial Controls

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

#### Auditor's Responsibility

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

A Holding company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

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

#### Opinion

In our opinion, the Holding Company and its subsidiaries, in all material respects, an adequate internal financial controls system over financial reporting were generally operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For, V V Kale & Co

Chartered Accountants  
Firm Reg. Number: 000897N

#### Vijay V. Kale

Partner  
Membership No: 080821  
UDIN: 22080821AKQDNK5968

Place: New Delhi

Date: 28.05.2022

# ASIAN HOTELS (NORTH) LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

	Note No.	As at 31-03-2022 Rs. In Lakhs	As at 31-03-2021 Rs. In Lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	4	1,47,875.17	1,62,598.57
(b) Capital Work in Progress	4	99.15	29,746.02
(c) Intangible Assets	4	-	-
(d) Financial Assets			
(i) Investments	5	-	142.54
(ii) Loans	6	17.69	29.10
(iii) Others	7	385.98	450.02
(e) Deferred Tax Assets (Net)	8	3,857.37	3,857.37
(f) Other Non-Current Assets	9	532.30	567.94
		<u>1,52,767.66</u>	<u>1,97,391.56</u>
<b>CURRENT ASSETS</b>			
(a) Inventories	10	573.24	581.58
(b) Financial Assets			
(i) Trade Receivables	11	1,100.59	1,429.89
(ii) Cash and Cash Equivalents	12	141.04	111.43
(iii) Bank Balance other than (ii) above	13	512.24	71.37
(iv) Others	14	308.43	302.53
(c) Other Current Assets	15	191.80	440.74
		<u>2,827.34</u>	<u>2,937.53</u>
<b>TOTAL ASSETS</b>		<u><u>1,55,595.00</u></u>	<u><u>2,00,329.09</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	16	1,945.32	1,945.32
(b) Other Equity	17	21,845.32	40,891.85
(c) Non-controlling interests		(229.66)	2,603.97
		<u>23,560.98</u>	<u>45,441.14</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	87,411.34	1,00,093.14
(ii) Other Financial Liabilities	19	78.48	1,525.47
(b) Provisions	20	308.26	337.50
(c) Other Non-Current Liabilities	21	-	2,015.59
		<u>87,798.08</u>	<u>1,03,971.69</u>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	22	20,508.30	26,401.57
(ii) Trade Payables	23		
(A) total outstanding dues of micro enterprises and small enterprises; and		154.31	179.15
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		9,317.58	9,260.31
(iii) Other Financial Liabilities	24	3,916.70	4,231.00
(b) Other Current Liabilities	25	10,282.83	10,506.39
(c) Provisions	26	56.22	337.85
		<u>44,235.94</u>	<u>50,916.25</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u><u>1,55,595.00</u></u>	<u><u>2,00,329.09</u></u>

Corporate Information, Basis of Preparation & Significant Accounting Policies 1-3

The accompanying notes 1 to 48 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For V. V. Kale & Co.

Chartered Accountants  
Firm Registration No. 000897N

Vijay V. Kale  
Partner  
Membership Number: 080821

AMRITESH JATIA  
Managing  
Director  
DIN: 02781300

ASHISH DHANUKA  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: NEW DELHI  
Dated: 28th May, 2022  
UDIN: 22080821AKQDNK5968

# ASIAN HOTELS (NORTH) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

	Note No.	2021-22 Rs. In Lakhs	2020-21 Rs. In Lakhs
<b>INCOME</b>			
Revenue from operations	27	13,052.54	7,258.30
Other income	28	424.59	467.63
<b>TOTAL INCOME</b>		<b>13,477.13</b>	<b>7,725.93</b>
<b>EXPENSES</b>			
Consumption of provisions, beverages, smokes and others	29	2,158.71	1,135.54
Employee benefits expense	30	4,075.57	3,610.77
Finance Costs	31	10,979.27	9,106.74
Depreciation and amortization expenses	4	2,510.95	1,694.75
Less: included as part of capital work-in-progress		-	(12.78)
Other expenses	32	6,236.69	4,773.01
<b>TOTAL EXPENSES</b>		<b>25,961.20</b>	<b>20,308.02</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(12,484.07)</b>	<b>(12,582.09)</b>
<b>Exceptional items</b>			
Provision for impairment of Investment in subsidiary		32,898.95	56,914.72
<b>Profit/(Loss) before tax</b>		<b>(45,383.01)</b>	<b>(69,496.81)</b>
<b>Tax items</b>			
Current tax		-	-
Earlier years tax provisions (written back)		0.30	-0.77
Deferred tax asset / (liability)		-	-
<b>Total tax items</b>		<b>0.30</b>	<b>-0.77</b>
<b>Profit/(Loss) for the year</b>		<b>(45,383.31)</b>	<b>(69,497.58)</b>
<b>Other Comprehensive Income</b>			
Items that will not be classified to Profit or Loss			
Re-measurement gains/ (losses) on post employment benefit plans		41.41	65.89
Changes in revaluation surplus		-	42,289.08
<b>Other Comprehensive Income/ (Loss) for the year</b>		<b>41.41</b>	<b>42,354.97</b>
<b>Total Comprehensive Income/ (Loss) for the year</b>		<b>(45,341.90)</b>	<b>(27,142.61)</b>
<b>Net profit / (loss) attributable to:</b>			
Owners		(42,537.07)	(69,425.64)
Non-controlling interest		(2,846.24)	(71.94)
<b>Other comprehensive income / (loss) attributable to:</b>			
Owners		41.41	42,354.97
Non-controlling interest		-	-
<b>Total comprehensive income / (loss) attributable to:</b>			
Owners		(42,495.66)	(27,070.67)
Non-controlling interest		(2,846.24)	(71.94)
<b>Earnings Per Equity Share (Basic and Diluted) (In Rs.)</b>	33	<b>(233.29)</b>	<b>(357.25)</b>
Corporate Information, Basis of Preparation & Significant Accounting Policies	1-3		

The accompanying notes 1 to 48 are an integral part of the Standalone Financial Statements

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

**For V. V. Kale & Co.**

Chartered Accountants  
Firm Registration No. 000897N

**Vijay V. Kale**  
Partner  
Membership Number: 080821

**AMRITESH JATIA**  
Managing  
Director  
DIN: 02781300

**ASHISH DHANUKA**  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: NEW DELHI  
Dated: 28th May, 2022  
UDIN: 22080821AKQDNK5968

# ASIAN HOTELS (NORTH) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

	2021-22 Rs. In Lakhs	2020-21 Rs. In Lakhs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/ (loss) Before Tax</b>	<b>(45,383.01)</b>	<b>(69,496.81)</b>
Adjustments for:		
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
Net unrealized (gain)/loss on foreign currency transaction and translation	-	-
Provision for impairment of Investment in subsidiary	32,898.95	56,914.72
Bad debts / advances 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>
Adjustments for changes in working capital :		
(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	976.85
<b>Cash Generated from Operations</b>	<b>1,311.71</b>	<b>3,031.04</b>
Income taxes (Net)	158.32	1,057.49
<b>Net Cashflow from Operating Activities</b>	<b>1,470.04</b>	<b>4,088.53</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to Fixed Assets	(76.89)	(110.60)
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	(1,854.46)
Interest and finance charges	(1,359.68)	(2,444.82)
<b>Net Cashflow from Financing Activities</b>	<b>(1,113.87)</b>	<b>(4,299.28)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>43.50</b>	<b>(86.71)</b>
Cash and Cash Equivalents-Opening	111.43	198.14
Less: Adjustment to Opening Cash and Cash Equivalents on account of loss of control in subsidiary	13.89	-
<b>Cash and Cash Equivalents - Closing</b>	<b>141.04</b>	<b>111.43</b>

# ASIAN HOTELS (NORTH) LIMITED

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## 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 confirm 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:**

	As at 31-03-2022 (Rs. In lakhs)	As at 31-03-2021 (Rs. In lakhs)
<b>DETAIL OF CASH AND CASH EQUIVALENTS</b>		
Balances with banks		
In current accounts	130.21	5.95
In bank OD a/c	-	84.82
Cash on hand	10.83	10.45
Cheques, Drafts on hand	-	10.20
	<u>141.04</u>	<u>111.43</u>

"As per our report of even date attached"

**ON BEHALF OF THE BOARD OF DIRECTORS**

**For V. V. Kale & Co.**  
Chartered Accountants  
Firm Registration No. 000897N

**Vijay V. Kale**  
Partner  
Membership Number: 080821

**AMRITESH JATIA**  
Managing  
Director  
DIN: 02781300

**ASHISH DHANUKA**  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

**Place: NEW DELHI**  
**Dated: 28th May, 2022**  
**UDIN: 22080821AKQDNK5968**

# ASIAN HOTELS (NORTH) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2022

### (A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2022

(Rs. In Lakhs)

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2022
1,945.32	-	-	-	1,945.32

For the year ended 31st March, 2021

(Rs. In Lakhs)

Balance as at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March, 2021
1,945.32	-	-	-	1,945.32

### (B) OTHER EQUITY

For the year ended 31st March, 2022

Particulars	Reserves and Surplus								Total Equity
	Capital Reserve	General Reserve	Capital Redemption Reserve	Security Premium Account	Retained Earnings	Revaluation Reserve	FVOCI Reserve	Foreign Exchange Translation Reserve	
Balance as at 1st April, 2021	1.41	8,863.57	990.00	32,994.83	(54,832.47)	42,289.08	625.06	9,960.37	40,891.85
Profit/(Loss) for the year	-	-	-	-	(42,537.07)	-	-	-	(42,537.07)
Foreign translation (Loss)/Gain	-	-	-	-	-	-	-	10,380.28	10,380.28
Additions during the financial year	13,068.84								13,068.84
Transfer from / to*	-	-	-	-	940.83	(940.83)			-
Other Comprehensive income/(loss) for the year							41.41		41.41
<b>Balance as at 31st March, 2022</b>	<b>13,070.25</b>	<b>8,863.57</b>	<b>990.00</b>	<b>32,994.83</b>	<b>(96,428.71)</b>	<b>41,348.25</b>	<b>666.47</b>	<b>20,340.65</b>	<b>21,845.32</b>

\* As per para 41 of Ind AS 16 Property, Plant & Equipment, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from Revaluation Reserve to Retained Earning.

For the year ended 31st March, 2021

Particulars	Reserves and Surplus								Total Equity
	Capital Reserve	General Reserve	Capital redemption reserve	Security premium account	Retained Earnings	Revaluation Reserve	FVOCI Reserve	Foreign Exchange Translation Reserve	
Balance as at 1st April, 2020	1.41	8,863.57	990.00	32,994.83	14,593.17	-	559.17	3,088.88	61,091.03
Profit/(Loss) for the year	-	-	-	-	(69,425.64)	-	-	-	(69,425.64)
Foreign translation (Loss)/Gain	-	-	-	-	-	-	-	6,871.49	6,871.49
Transfer from / to	-	-	-	-	-	-	-	-	-
Other Comprehensive income/(loss) for the year	-	-	-	-	-	42,289.08	65.89		42,354.97
<b>Balance as at 31st March, 2021</b>	<b>1.41</b>	<b>8,863.57</b>	<b>990.00</b>	<b>32,994.83</b>	<b>(54,832.47)</b>	<b>42,289.08</b>	<b>625.06</b>	<b>9,960.37</b>	<b>40,891.85</b>

"As per our report of even date attached"

ON BEHALF OF THE BOARD OF DIRECTORS

For V. V. Kale & Co.

Chartered Accountants  
Firm Registration No. 000897N

Vijay V. Kale

Partner  
Membership Number: 080821

AMRITESH JATIA

Managing  
Director  
DIN: 02781300

ASHISH DHANUKA

Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: NEW DELHI

Dated: 28th May, 2022

UDIN: 22080821AKQDNK5968



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 1. GROUP INFORMATION

Asian Hotels (North) Limited (the Holding Company) is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Holding Company is operating a Five Star deluxe Hotel namely Hyatt Regency in Delhi since 1982. The Holding Company has two\* subsidiaries as on the balance sheet date namely Finline Hospitality & Consultancy Pte Ltd., an overseas subsidiary, incorporated in Mauritius provides offshore project consultancy services; Lexon Hotel Ventures Limited is incorporated in Mauritius also provides offshore project consultancy services.

\*Leading Hotels Limited ceases to be a subsidiary company of the holding company w.e.f 25th June, 2021 as order under Insolvency & Bankruptcy Code 2016 for initiation of Corporate Insolvency Resolution Process (CIRP) was passed and hence the Holding Company ceases to exercise control over the same.

## 1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards [Ind AS] notified under the Companies [Indian Accounting Standards] Rules, 2015 and with the applicable provisions of the Companies Act, 2013. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]
- Defined benefit plans
- Contingent consideration

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

## 2A Principles of Consolidation

These consolidated financial statements have been prepared in accordance with Indian Accounting Standard 110 (Ind AS 110) – "Consolidated Financial Statements". These consolidated financial statements comprise the financial statements of the Company and its following subsidiaries: -

Name of the Company	Country of Incorporation	Effective % of holding as at 31st March, 2022	Effective % of holding as at 31st March, 2021
Finline Hospitality & Consultancy Pte Ltd (FHCPL)- an Overseas Subsidiary	Mauritius	100.00%	100.00%
Lexon Hotel Ventures Limited (Lexon), a subsidiary of FHCPL	Mauritius	80.00%(#)	80.00%(#)

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

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

- the financial statements of the Holding Company, its Overseas Wholly Owned Subsidiary and its Indian Subsidiary have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions, if any, based on the special purpose audited Ind AS consolidated financial statements received from the Overseas Subsidiary and audited financial statement received from the Indian Subsidiary for the year ended 31st March 2022, in Indian Rupees as per the Indian Accepted Accounting Policies.
- These consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements.
- The difference between the cost of investment in the subsidiaries and the Holding Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- Goodwill arising out of consolidation is tested for impairment at each balance sheet date.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 2A Principles of Consolidation..contd.

- (v) Non-controlling interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Holding Company's shareholders.

Non-controlling interest in the net assets of consolidated subsidiaries consists of: -

- (a) the amount of equity attributable to non-controlling interest at the date on which investment in Subsidiary is made; and  
(b) the noncontrolling' share of movements in equity since the date the parent – subsidiary relationship came into existence.

Minority interests share of Net Profit / (Loss) (including share of Foreign Exchange Translation Reserve) of consolidated subsidiaries for the relevant period is identified and adjusted against the profit after tax of the group.

## 2B Use of Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be different from those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expense and payable – Refer accounting policy 3.9  
b) Estimated useful life of property plant & equipment and intangible assets – Refer accounting policy 3.1  
c) Estimation of defined benefit obligation – Refer accounting policy 3.8  
d) Estimation of fair values of contingent liabilities - Refer accounting policy 3.12  
e) Recognition of revenue - Refer accounting policy 3.4  
f) Recognition of deferred tax assets for carried forward tax losses – Refer accounting policy 3.9  
g) Impairment of financial assets – Refer accounting policy 3.2 & 3.5

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- a. Expected to be realized or intended to be sold or consumed in normal operating cycle  
b. Held primarily for the purpose of trading  
c. Expected to be realized within twelve months after the reporting period, or  
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- a. It is expected to be settled in normal operating cycle  
b. It is held primarily for the purpose of trading  
c. It is due to be settled within twelve months after the reporting period, or  
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Property, plant and equipment:

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Costs include financing costs of borrowed funds attributable to acquisition or construction of fixed assets, up to the date the assets are put-to-use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognized separately as independent items and are depreciated over their estimated economic useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred unless they meet the recognition criteria for capitalization under Property, Plant and Equipment

#### Tangible Fixed Assets:

- (a) Depreciation is charged using straight line method on the basis of the expected useful life as specified in Schedule II to the Act. A residual value of 5% (as prescribed in Schedule II to the Act) of the cost of the assets is used for the purpose of calculating the depreciation charge. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognized prospectively in current and future periods.
- (b) Depreciation on leasehold improvements is being charged equally over the period of the lease.
- (c) Depreciation on the increased amount of assets due to revaluation is computed on the basis of residual life of the assets as estimated by the valuer on straight line method and charged to Revaluation Reserve and credited to the Other Comprehensive Income based on guidance provided by "Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by the Institute of Chartered Accountants of India read with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2016 as amended by the Companies (Indian Accounting standards) (Amendment) Rules, 2016.
- (d) No depreciation is charged on the assets sold/ discarded during the year.

#### Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the income statement when the asset is derecognized. Intangible fixed assets are amortized on straight line basis over their estimated useful economic life.

#### Capital Work- in- progress

Capital work- in- progress represents directly attributable costs of construction to be capitalized. All other expenses including interest incurred during construction period are capitalized as a part of the construction cost to the extent to which these expenditures are attributable to the construction as per Ind AS-23 "Borrowing Costs". Interest income earned on temporary investment of funds brought in for the project during construction period has been set off from the interest expense accounted for as expenditure during the construction period.

### 3.2 Impairment of non-financial 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. In assessing value in use, the Group measures it on the basis of discounted cash flows of next five years' projections estimated based on current prices. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES..contd.

### 3.3 Foreign Currency Transactions

The Group's financial statements are presented in INR, which is also the Group's functional currency.

#### Initial Recognition

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

#### Conversion

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

#### Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements including receivables and payables which are likely to be settled in foreseeable future, are recognized as income or as expenses in the year in which they arise. All other exchange differences are recognized as income or as expenses in the period in which they arise.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that give rise to the translation difference (i.e. translation difference on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

### 3.4 Revenue recognition

Effective 01 April 2018, the Group (wherever applicable) has adopted Indian Accounting Standard 115 (Ind AS 115) -'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. Specifically,

- (i) Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer or the agreed milestones are achieved and are net of service tax, wherever applicable.
- (ii) For all debt instruments measured either at amortized cost or at fair value through other comprehensive income [OCI], interest income is recorded using the effective interest rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument [for example, prepayment, extension, call and similar options] but does not consider the expected credit losses.
- (iii) Dividend income from investments is recognized when the Group's right to receive payment is established which is generally when shareholders approve the dividend.
- (iv) Income from generation of electricity is recognized when the actual generated units are transferred and billed to the buyer.
- (v) Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.
- (vi) Excise duty (upto 30th June, 2017) is a liability of the Group, which forms part of the cost of production, irrespective of whether the goods are sold or not. Therefore, the recovery of excise duty flows to the Group on its own account and hence revenue includes excise duty.

### 3.5 Financial Instruments

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

#### A. Financial Assets

##### a. Initial recognition and measurement:

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

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES..contd.

of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognized on the settlement date, trade date, i.e., the date that the Group settle commits to purchase or sell the asset.

### b. Subsequent measurement:

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

#### i. Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate [EIR] method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

#### ii. Debt instruments at fair value through other comprehensive income [FVTOCI]:

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

- The asset is held with objective of both - for collecting contractual cash flows and selling the financial assets
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income [OCI]. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### iv. Equity instruments measured at fair value through other comprehensive income [FVTOCI]:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group has made such election on an instrument by- by instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### c. Derecognition:

A financial asset is primarily derecognized when:

- i. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Group has transferred substantially all the risks and rewards of the asset, or [b] the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- ii. the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES..contd.

### d. Impairment of financial assets:

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

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash
- c. Financial assets that are debt instruments and are measured as at FVTOCI
- d. Lease receivables under Ind AS 17
- e. Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on Point c and d provided above. The application of simplified approach requires the Group to recognize the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance which reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- b. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

## B. Financial liabilities:

### a. Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### b. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

#### i. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.



# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES..contd.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

### ii. Loans and borrowings:

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

### iii. Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

### c. Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

## C. Reclassification of financial assets:

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses [including impairment gains or losses] or interest.

## D. Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## 3.6 Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES..contd.

### 3.7 Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is determined by weighted average method. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

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

### 3.8 Retirement benefits

Retirement benefit costs for the year are determined on the following basis:

- (i) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. There is no obligation other than the contribution payable to the respective fund.
- (ii) The Group also provides for retirement benefits in the form of gratuity and compensated absences/ Leave encashment in pursuance of the Group leave rules. The Group's liability towards such defined benefit plans are determined based on valuations as at the Balance Sheet date made by independent actuaries. The classification of the Group's net obligation into current and non-current is as per the actuarial valuation report.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset

### 3.9 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Group operates. Current tax items are recognized in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Group reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

### 3.10 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

# ASIAN HOTELS (NORTH) LIMITED

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NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

## 3. SIGNIFICANT ACCOUNTING POLICIES..contd.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Borrowing costs which are not specifically attributable to the acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a weighted average capitalization rate. The weighted average rate is taken of the borrowing costs applicable to the outstanding borrowings of the Group during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized cannot exceed the amount of borrowing costs incurred during that period.

### 3.11 Earnings per equity share

Basic earnings per share is calculated by dividing the net profit or loss from continuing operation and total profit, both attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

### 3.12 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.

A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are renewed at each balance sheet date.

### 3.13 Cash and Cash Equivalents

Cash and cash equivalent comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 3.14 Leases

The determination of whether an arrangement is [or contains] a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

- A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- Lease other than finance lease are operating lease and these leased assets are not recognized in the Group's statement of financial position but are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Group is both a lessee and a lessor under such arrangements. Payments and receipts under such leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the primary period of the lease unless another systematic basis is more representative of the time pattern of the user's benefit.

### 3.15 Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

# ASIAN HOTELS (NORTH) LIMITED

## NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 4. PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSET

	Freehold land	Buildings	Furniture & Fittings	Plant and Equipments	Office Equipment	Computers	Vehicles	Goodwill	Total	Capital Work-in progress
<b>Cost:</b>										
As at 1st April, 2020	92,904.22	26,445.48	7,743.17	15,134.74	71.98	479.93	1,017.07	50,144.20	1,93,940.80	27,885.18
Additions	0.59	-	-	38.01	1.50	-	70.50	-	110.60	1,860.91
Revaluation of Assets*	-	42,289.08	-	-	-	-	-	-	42,289.08	-
Revaluation adjustment	-	(5,008.13)	-	-	-	-	-	-	(5,008.13)	-
Disposals / transfers	565.49	-	-	-	-	-	258.95	50,144.20	50,968.65	0.07
<b>As at 31st March, 2021</b>	<b>92,339.31</b>	<b>63,726.44</b>	<b>7,743.17</b>	<b>15,172.76</b>	<b>73.48</b>	<b>479.93</b>	<b>828.63</b>	<b>-</b>	<b>1,80,363.71</b>	<b>29,746.02</b>
Additions	-	8.54	37.48	79.21	1.10	-	-	-	126.34	-
Revaluation of Assets*	-	-	-	-	-	-	-	-	-	-
Disposals / transfers	-	-	-	-	-	-	104.74	-	104.74	49.45
Disposals / transfers on loss of control of Subsidiary	12,265.05	37.44	7.21	-	16.63	11.77	42.93	-	12,381.03	29,597.42
<b>As at 31st March, 2022</b>	<b>80,074.27</b>	<b>63,697.53</b>	<b>7,773.44</b>	<b>15,251.97</b>	<b>57.96</b>	<b>468.16</b>	<b>680.95</b>	<b>-</b>	<b>1,68,004.28</b>	<b>99.15</b>
<b>Accumulated depreciation:</b>										
As at 1st April, 2020	-	4,606.95	6,420.18	9,238.24	59.25	405.36	546.25	-	21,276.22	-
Depreciation charged during the year	-	438.62	328.26	799.62	4.64	23.52	100.09	-	1,694.75	-
Revaluation adjustment	-	(5,008.13)	-	-	-	-	-	-	(5,008.13)	-
Disposals / transfers	-	-	-	-	-	-	197.69	-	197.69	-
<b>As at 31st March, 2021</b>	<b>-</b>	<b>37.44</b>	<b>6,748.43</b>	<b>10,037.86</b>	<b>63.89</b>	<b>428.88</b>	<b>448.64</b>	<b>-</b>	<b>17,765.15</b>	<b>-</b>
Depreciation charged during the year	-	1,379.59	292.37	744.67	2.43	18.24	73.66	-	2,510.95	-
Disposals / transfers	-	-	-	-	-	-	41.89	-	41.89	-
Disposals / transfers on loss of control of subsidiary	-	37.44	5.35	-	14.95	11.17	36.18	-	105.09	-
<b>As at 31st March 2022</b>	<b>-</b>	<b>1,379.59</b>	<b>7,035.46</b>	<b>10,782.54</b>	<b>51.36</b>	<b>435.94</b>	<b>444.23</b>	<b>-</b>	<b>20,129.12</b>	<b>-</b>
Net book value										
As at 31st March, 2021	92,339.31	63,689.00	994.74	5,134.89	9.59	51.05	379.98	-	1,62,598.57	29,746.02
<b>As at 31st March 2022</b>	<b>80,074.27</b>	<b>62,317.94</b>	<b>737.98</b>	<b>4,469.43</b>	<b>6.61</b>	<b>32.22</b>	<b>236.72</b>	<b>-</b>	<b>1,47,875.17</b>	<b>99.15</b>

\* The Building in New Delhi on which the Hotel business is operated was valued at Rs. 636.89 crores on the basis of the valuation report dated April 09, 2021. This being a material adjusting subsequent event for FY 2020-21, the adjustment to the value of building by way of upward revaluation of Rs. 42,289.08 Lakhs was recorded on March 31, 2021 in line with the relevant Accounting Standards.

Note:- Title deeds of all the immovable properties are held in the name of the company.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 4. PROPERTY, PLANT AND EQUIPMENT....contd.

### (a) Building includes leasehold improvement:

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	-	37.44
Accumulated depreciation	-	37.44
Depreciation charge for the year	-	3.57
Net value	-	-

### (b) Vehicles includes those financed:

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	267.92	529.71
Net value	119.69	280.78

### (c) Land (freehold) and Plant and Equipments includes assets relating to the business of generation of electricity Land (freehold)

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	34.00	34.00
Net value	34.00	34.00

### Plant and Equipments

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Gross value	1,857.02	1,857.02
Net value	674.05	754.27

### (d) Capital Work in Progress consists of :

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Balance at the beginning of the year	29,745.94	27,885.17
Building under construction	-	-
Technical and consultancy fees	-	14.28
Kitchen Equipments	-	0.17
Plant and Machinery under installation	-	-
Plumbing and sanitation	-	-
Air conditioning under installation	-	-
Elevators under installation and others	-	-
Furniture and Fixtures	-	-
Fire fighting equipments	-	-
Office, Housekeeping and other equipments	-	-
Music, TV and Cinematograph	-	-
Electrification	-	-
Expenditure during construction {Refer Note (e) below}	-	1,846.40
	<b>29,745.94</b>	<b>29,746.02</b>
Add: transfer from service tax cenvat (Reversal)	-	-
Less: Interest on security deposits Ind As	-	(0.07)
Less: Disposal on Account of Loss of control on subsidiary	<b>(29,597.34)</b>	0.00
Less: Capitalized during the year	<b>(49.46)</b>	-
Less: Interest transferred to Maharashtra Land	-	-
<b>Balance at the end of the year</b>	<b>99.15</b>	<b>29,745.94</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 4. PROPERTY, PLANT AND EQUIPMENT....contd.

### CWIP ageing schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Expansion II *					
As at 31st March, 2022	-	0.60	3.86	94.68	99.14
As at 31st March, 2021	0.60	3.86	32.25	62.43	99.14
Construction of Restaurant (Syrah)					
As at 31st March, 2022	-	-	-	-	-
As at 31st March, 2021	0.17	49.29	-	-	49.46
Total CWIP					
As at 31st March, 2022	-	0.60	3.86	94.68	99.14
As at 31st March, 2021	0.77	53.15	32.25	62.43	148.59

\* Development activities are halted due to pending regulatory approvals. The Management is confident that the requisite approvals will be obtained soon.

Note :- CWIP ageing not provided for comparative figures related to ultimate subsidiary "Leading Hotels Limited" over which group has lost the control on account of initiation of corporate insolvency proceedings.

(e) All other expenses specifically attributable to construction have been accounted for as expenditure during construction. The Group has prepared the following Statement of Expenditure during construction:

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>STATEMENT OF EXPENDITURE DURING CONSTRUCTION</b>		
Employee benefits expenses	-	8.97
Rent	-	5.98
Loan processing arranging fees	-	0.47
Legal and professional charges (Including loan processing and arranging fees)	-	-
Site office running expenses	-	14.89
Travelling expenses	-	0.33
Interest expenses	-	1,795.67
Depreciation	-	12.78
Miscellaneous	-	7.29
	-	<b>1,846.39</b>

## 5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Unquoted investments:		
a. Investment in equity instruments		
i) Other companies	-	142.54
	-	<b>142.54</b>



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 5. NON - CURRENT FINANCIAL ASSETS - INVESTMENTS....contd.

### Details of Investments

	Face value per unit in Rs. unless otherwise specified	No. of shares/units As at 31-03-2022	Value	
			31-03-2022 (Rs. In Lakhs)	31-03-2021 (Rs. In Lakhs)
<b>Unquoted Investments:</b>				
<b>Investment in equity instruments</b>				
Sandhya Hydro Power Projects Balagha Pvt. Ltd. *	Rs. 10	14,24,780	-	142.54
Total			-	142.54

\* Pursuant to the Settlement agreement entered with the investee, the investment has been sold during the financial year & that there was a consequent termination of power purchase agreement.

## 6. NON - CURRENT FINANCIAL ASSETS - LOANS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unsecured, considered good, unless otherwise stated</b>		
Other loans:		
Loans to employees	17.69	29.10
	<b>17.69</b>	<b>29.10</b>

## 7. NON - CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Bank deposits with original maturity greater than 12 months* (See Note - 12)	-	24.38
Security deposits	385.98	424.75
Rental deposits	-	0.89
	<b>385.98</b>	<b>450.02</b>

\*Includes as margin money deposit against borrowings from banks

## 8. TAXATION - DEFERRED TAX

### I. Income tax related items charged or credited directly to profit or loss during the year

Particulars	2021-22	2020-21
<b>Statement of profit or loss</b>		
Current income tax	-	-
Prior year income tax / (reversal)	-	-
Deferred tax expense / (benefit)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### II. Income Tax Expense

<b>Reconciliation</b>		
<b>Accounting profit / loss before tax</b>	<b>(12,609.03)</b>	<b>(12,598.10)</b>
Applicable tax rate	26.00%	26.00%
Computed tax expense	-	-

\*Computed tax expense is Nil since business loss is incurred in the respective financial years.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 8. TAXATION - DEFERRED TAX....contd.

### III. Deferred Tax relates to the following:

Particulars	Balance Sheet		Recognised in statement of profit or loss	
	As at 31-03-2022	As at 31-03-2021	2021-22	2020-21
Expense allowable on payment basis	(321.54)	(321.54)	-	-
Unused tax losses / depreciation	6,958.20	6,958.20	-	-
Minimum alternate tax (MAT) credit	778.15	778.15	-	-
Depreciation timing difference	(5,154.77)	(5,154.77)	-	-
Others	1,597.32	1,597.32	-	-
Earlier years tax provisions (written back)	0.00	-	-	-
Deferred tax asset / (liability)	3,857.37	3,857.37	-	-
<b>Net income /(expense)</b>				

Note :- 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.

## 9. NON - CURRENT ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Capital advances		
Considered good	-	23.89
Considered doubtful	-	-
	-	23.89
Less: Provision for doubtful advances	-	-
Advance income tax (net of provision for taxation)	334.92	544.05
Others*	197.38	-
	<b>532.30</b>	<b>567.94</b>

\*Represents the amount paid to Registrar General High Court of Delhi towards order passed by Delhi High Court in case related to non payment of lease rental of apartments.

## 10. INVENTORIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(valued at lower of cost and net realizable value)		
Wines and liquor	126.18	186.11
Provisions, other beverages and smokes	72.74	51.66
Crockery, cutlery, silverware, linen etc.	342.21	314.96
General stores and spares	32.11	28.85
	<b>573.24</b>	<b>581.58</b>

- As per inventory taken and valued by the Management

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 11. TRADE RECEIVABLES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unsecured</b>		
Other debts		
Considered good	1,116.59	1,440.62
Considered doubtful	-	-
	<u>1,116.59</u>	<u>1,440.62</u>
Less: Provision for doubtful debts	(16.00)	(10.73)
	<u><u>1,100.59</u></u>	<u><u>1,429.89</u></u>
Trade receivables includes:		
Debts related to generation of electricity business (See segment reporting note)	15.69	161.94

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
<b>Undisputed Trade receivables – considered good</b>						
As at 31st March, 2022	925.40	63.94	72.13	12.27	42.85	1,116.59
As at 31st March, 2021	865.40	438.89	87.28	11.26	37.79	1,440.62
<b>Undisputed Trade receivables – credit impaired</b>						
As at 31st March, 2022	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-
<b>Disputed Trade receivables – considered good</b>						
As at 31st March, 2022	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-
<b>Disputed Trade receivables – credit impaired</b>						
As at 31st March, 2022	-	-	-	-	-	-
As at 31st March, 2021	-	-	-	-	-	-
<b>Less: Allowance for credit loss</b>						
As at 31st March, 2022	(2.62)	(4.48)	(5.05)	(0.86)	(3.00)	(16.00)
As at 31st March, 2021	(4.99)	(1.92)	(2.16)	(0.37)	(1.29)	(10.73)
<b>Total Trade Receivables as at 31st March, 2022</b>	<b>922.78</b>	<b>59.46</b>	<b>67.09</b>	<b>11.41</b>	<b>39.85</b>	<b>1,100.59</b>
<b>Total Trade Receivables as at 31st March, 2021</b>	<b>860.41</b>	<b>436.97</b>	<b>85.11</b>	<b>10.89</b>	<b>36.50</b>	<b>1,429.89</b>

## 12. CASH AND CASH EQUIVALENTS

	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 a/c	-	84.82
Cash in hand	10.83	10.45
Cheques, drafts on hand	-	10.20
	<u><u>141.04</u></u>	<u><u>111.43</u></u>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Other balances		
Earmarked balances with banks for:		
Unpaid dividends #	0.54	2.42
Bank deposits *	511.70	68.95
	<u>512.24</u>	<u>71.37</u>

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2021

# includes excess deposit due to rounding-off of dividend payable on fractional shares	0.09	0.09
*Includes as margin money deposit against borrowings from banks	-	-
*under lien against guarantee given for loan taken by the holding company	442.75	
* against bank guarantee given to MSEDCL for electricity supply	-	24.38
*against bank guarantee given to BSES Rajdhani Power Limited for electricity supply	68.95	-

## 14. CURRENT FINANCIAL ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Interest accrued on fixed deposits	3.67	4.00
Advance recoverable in cash or kind	304.76	286.73
Others	-	11.80
	<u>308.43</u>	<u>302.53</u>

## 15. CURRENT ASSETS - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Unsecured, considered good, unless otherwise stated</b>		
Prepaid expenses	170.42	190.08
Balance with Statutory Authorities	-	245.97
Unbilled Revenue & Reimbursement	21.38	4.69
	<u>191.80</u>	<u>440.74</u>

## 16. SHARE CAPITAL

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Authorised:</b>		
40,000,000 Equity Shares of Rs. 10 each (40,000,000 Equity Shares of Rs. 10 each as on 31st March, 2022 and 31st March 2021)	4,000.00	4,000.00
30,000,000 Preference Shares of Rs. 10 each (30,000,000 Preference Shares of Rs. 10 each as on 31st March, 2022 and 31st March 2021)	3,000.00	3,000.00
<b>Issued, Subscribed and paid-up:</b>		
19,453,229 Equity Shares of Rs. 10 each fully paid up (19,453,229 Equity Shares of Rs. 10 each fully paid up as on 31st March, 2022 and 31st March 2021)	1,945.32	1,945.32



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 17. OTHER EQUITY

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Capital Reserve</b>		
Opening balance	1.41	1.41
Additions during the financial year	13,068.84	-
Deductions during the financial year	-	-
Closing balance	<u>13,070.25</u>	<u>1.41</u>
<b>Capital Redemption Reserve for redeemed NCPS</b>		
Opening balance	990.00	990.00
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	<u>990.00</u>	<u>990.00</u>
<b>Securities Premium</b>		
Opening balance	32,994.83	32,994.83
Additions during the financial year	-	-
Deductions during the financial year	-	-
Closing balance	<u>32,994.83</u>	<u>32,994.83</u>
<b>General Reserve</b>		
Opening balance	8,863.57	8,863.57
Additions during the financial year	-	-
Adjusted to FVTOCI reserve on transition to Ind AS	-	-
Closing balance	<u>8,863.57</u>	<u>8,863.57</u>
<b>Revaluation Reserve</b>		
Opening balance	42,289.08	-
Additions during the financial year	-	42,289.08
Deductions during the financial year	-	-
Transferred to Surplus of Profit and Loss	(940.83)	-
Closing balance	<u>41,348.25</u>	<u>42,289.08</u>
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	(54,832.47)	14,593.17
Transferred from Revaluation Reserve *	940.83	-
Profit / (loss) during the year	(42,537.07)	(69,425.64)
Closing balance	<u>(96,428.71)</u>	<u>(54,832.47)</u>
<b>Fair Value through Other Comprehensive Income [FVTOCI] Reserve</b>		
Opening balance	625.06	559.17
Additional depreciation on account of re-valuation	-	-
- Re-measurement gains / (losses) on employee benefits	41.41	65.89
Closing balance	<u>666.47</u>	<u>625.06</u>
<b>Foreign Exchange Translation Reserve</b>		
Opening balance	9,960.37	3,088.88
Additions during the financial year	10,380.28	6,871.49
Closing balance	<u>20,340.65</u>	<u>9,960.37</u>
<b>Total of other equity - as at 31st March, 2022 &amp; as at 31st March, 2021</b>	<u><b>21,845.32</b></u>	<u><b>40,891.85</b></u>

\* As per para 41 of Ind AS 16 Property, Plant & Equipment, the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from Revaluation Reserve to Retained Earning.



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Secured Term Loans</b>		
<b><u>From Banks</u></b>		
<i>External commercial borrowings</i>		
DBS Bank Limited	22,526.58	23,274.73
<i>Other Term Loans</i>		
Bank of Maharashtra - Rupee Loan**	21,665.75	22,924.75
Yes Bank Limited-Rupee loan**	12,582.81	28,472.62
Punjab National Bank**	13,014.32	13,750.57
IndusInd Bank**	8,712.00	9,020.92
	<b>78,501.46</b>	<b>97,443.59</b>
Less: Adjustment of transaction costs as per Ind AS 109	(1,706.63)	(2,020.41)
	<b>76,794.83</b>	95,423.18
<i>Funded Interest Term Loans (FITL)*</i>		
Bank of Maharashtra - Rupee Loan	3,720.05	1449.12
Yes Bank Limited-Rupee loan	3,034.55	1824.94
Punjab National Bank-Rupee loan	1,987.76	903.00
IndusInd Bank	1,380.69	
For acquisition of /secured against vehicles		
ICICI Bank Limited- Rupee loan	-	11.03
HDFC Bank Limited- Rupee loan	-	13.92
Secured Loan- Others		
From body corporates	-	270.73
<b><u>From Financial Institution</u></b>		
For acquisition of /secured against vehicles		
Kotak Mahindra Prime Limited - Rupee loan	3.37	42.49
Toyota Financial Services - Rupee loan	0.67	7.72
<b>Unsecured Loans</b>		
<b>Interest Free loans from:</b>		
Promoter Director	151.61	147.01
<b>Inter Corporate Deposits</b>		
Exclusive Capital Ltd	263.81	
Ambaa Securities (P) Ltd	7.50	
Burlington Finance Ltd	21.50	
Innovative Commercial Pvt Ltd	7.50	
Kamlesh Mercantile Credit Pvt Ltd	30.00	
Linear Commercial Pvt Ltd	7.50	
	<b>87,411.34</b>	<b>1,00,093.14</b>

\* 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"). Summary of Revised Interest Rates & Repayment terms are summarized below.

\*\*The Company has been unable to repay Installments due on March 31, 2022 amounting to Rs. 4812.72 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.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS....contd.

### Nature of security and terms of repayment for secured current financial liabilities-borrowings:

#### (a) DBS Bank Limited -External commercial borrowings

ECBs carry interest @ 4.50% p.a. plus 6 months LIBOR and are secured by first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi, first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future), personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman & Managing Director w.e.f 21st October, 2021) & Managing Director (Mr. Amrutesh Jatia) and pledge of shares representing Company's investment in foreign subsidiary company. External commercial borrowings are repayable as under: (i) USD 161.67 Lakhs is payable in 16 unequal half yearly instalments till March, 2030; (ii) USD 175.40 Lakhs is payable in 11 unequal half yearly instalments till March, 2030.

During the FY 2021-22 interest amounting to USD 15.62 Lakhs (Previous Year USD 24.76 Lakhs) was capitalized by the Bank in line with the amendment agreement dated May 13, 2021.

#### (b) Bank of Maharashtra - Rupee Loan

Particulars	Terms of Repayment
- Bank of Maharashtra (Term Loan I) of Rs. 20,343 Lakhs (carried interest @ 9.80 % per annum)	The loan is repayable in 41 unequal quarterly instalments starting from March, 2022 till March, 2032.
- Bank of Maharashtra (Term Loan II) of Rs. 4,488.75 Lakhs (carried interest @ 9.80 % per annum)	The loan is repayable in 41 unequal quarterly instalments starting from March, 2022 till March, 2032.
- Bank of Maharashtra (FITL I) of Rs. 1,187.15 Lakhs (carried interest @ 10.00 % per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 2022 till March, 2027.
- Bank of Maharashtra (FITL II) of Rs. 261.96 Lakhs (carried interest @ 10.00 % per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loans &amp; FITL) are secured by:-</b>	
<ul style="list-style-type: none"> <li>- First pari passu charge of land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- Pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi (1st to 6th Floor except 3000 sq ft at 6th Floor) &amp; Cash Flow there on</li> <li>- First pari passu charge on movable fixed assets (Excluding Wind Mills, vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- Personal guarantee of Chairman &amp; Managing Director &amp; Non-Executive Director (Mr. Amrutesh Jatia)</li> <li>- Pledge of shares representing Company's investment in foreign subsidiary company on pari passu basis.</li> <li>- The Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 1907.00 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.</li> </ul>	

#### (c) Yes Bank Limited - Rupee Loan

Particulars	Terms of Repayment
- Yes Bank Limited (Term Loan III) of Rs. 4393.60 Lakhs (carried interest @ 9.75% per annum)	The loan is repayable in 43 unequal quarterly instalments till July, 2032.
- Yes Bank Limited (Term Loan IV) of Rs. 10461.41 Lakhs (carried interest @ 9.75 % per annum)	The loan is repayable in 45 unequal quarterly instalments till March, 2033.
- Yes Bank Limited - TL-III (FITL - I) (Mar'20-Aug'20) of Rs. 260.58 Lakhs (carried interest @ 9.75 % per annum)	The loan is repayable in 43 unequal quarterly instalments till July, 2032.
- Yes Bank Limited - TL-IV (FITL - I) (Mar'20-Aug'20) of Rs. 644.19 Lakhs (carried interest @ 9.75% per annum)	The loan is repayable in 45 unequal quarterly instalments till March, 2033.
- Yes Bank Limited - TL-III (FITL - II) (Sep'20-Mar'22) of Rs. 766.00 Lakhs (carried interest @ 10.55% per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
- Yes Bank Limited - TL-IV (FITL - II) (Sep'20-Mar'22) of Rs. 1845.00 Lakhs (carried interest @ 10.55 % per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loans &amp; FITLs) are secured by:-</b>	
<ul style="list-style-type: none"> <li>- First pari passu charge of land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi (1st to 6th Floor except 3000 sq. ft at 6th Floor) &amp; Receivable from the sale/lease.</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets.</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 21st October, 2021) &amp; Managing Director (Mr. Amrutesh Jatia)</li> <li>- Pledge of shareholding of Chairman &amp; Managing Director, his associates, Asian Holding Private Limited &amp; Other group Companies (total amounting to 7.2%) in the Company. Invoked during the year by Yes Bank Limited.</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- Charge over two power generation units of 3MW (including its Cashflows) situated at Maharashtra.</li> </ul>	

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS....contd.

Notes:-

- i) Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 955.72 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.
- ii) 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 Jatia, 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 6th 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 6, 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.

### (d) Punjab National Bank - Rupee Loan

Particulars	Terms of Repayment
- Punjab National Bank - Term Loan of Rs. 14886.32 Lakhs (carried interest @ 9% per annum)	The loan is repayable in 39 unequal quarterly instalments starting from March, 2022 till March, 2032.
- Punjab National Bank - FITL of Rs. 2284.78 Lakhs (carried interest @ 10% per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loan &amp; FITL) are secured by:-</b> <ul style="list-style-type: none"> <li>- First pari passu charge of land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi</li> <li>- First pari passu charge on Cashflows of the Company.</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- Personal / corporate guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 21st October, 2021) &amp; Managing Director (Mr. Amritesh Jatia)</li> <li>- Pledge of shareholding of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 21st October, 2021), his associates, Asian Holding Private Limited &amp; Other group Companies (total amounting to 7.29%) in the Company. Invoked by Yes bank Limited during the FY 2021-22.</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- The Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 1134.00 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.</li> </ul>	

### (e) IndusInd Bank Limited - Rupee Loan

IndusInd Bank Limited which was not initially part of OTR Scheme has during FY 2021-22 agreed for One time restructuring of all Credit facilities vide Sanction Letter dated 16th December, 2021. The, terms as per new restructured Scheme are placed below:

Particulars	Terms of Repayment
- IndusInd Bank Limited - Term Loan of Rs. 10058.00 Lakhs (carried interest @ 9% per annum)	The loan is repayable in 38 unequal quarterly instalments starting from March, 2022 till December, 2031.
- IndusInd Bank Limited - FITL of Rs. 1587.00 Lakhs (carried interest @ 10% per annum)	The loan is repayable in 20 unequal quarterly instalments starting from June, 30 2022 till March, 2027.
<b>All the Above mentioned Loans (Both Term Loan &amp; FITL) are secured by:-</b> <ul style="list-style-type: none"> <li>- First pari passu charge of existing and future land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- First pari passu charge on current Assets of the company both present and future.</li> <li>- Pari passu charge of unsold area of New Tower Block A and Cashflow thereon and cashflow from the sale of 40,000 Sq. ft area of Shopping Arcade located in Hyatt Regency Delhi.</li> <li>- First pari passu charge on all cashflow of the company.</li> <li>- Fixed Deposit of Rs. 600.00 Lakhs to be held as exclusive collateral and will be provided by Personal guarantors as per schedule provided by IndusInd Bank.</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 21st October, 2021) &amp; Managing Director (Mr. Amritesh Jatia)</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- The Company has been unable to repay Installment due on 31st March, 2022 amounting to Rs. 816.00 Lakhs as per OTR Sanction letter issued by the bank on account of inability to monetize CRE Assets located in hotel premises.</li> </ul>	

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS....contd.

(f) ICICI Bank-Rupee loan (carried interest @ 8.02% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly instalments up to December, 2022.

(g) ICICI Bank-Rupee loan (carried interest @ 8.25% per annum) is secured against hypothecation of a vehicle. Balance repayable in monthly instalments up to January, 2023.

The aggregate values of the vehicle loans from ICICI Bank is Rs. 5.44 Lakhs as at March 31, 2022.

(h) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 8.60% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to May 2022.

(i) Kotak Mahindra Prime Limited -Rupee loan for acquisition of vehicles (carries interest @ 7.78% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to April 2023.

The aggregate values of the vehicle loans outstanding from Kotak Mahindra Prime Ltd is Rs. 42.49 Lakhs as at March 31, 2022.

(j) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 7.74% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to March, 2023.

(k) Toyota Financial Services India Ltd - Rupee loan for acquisition of a vehicle (carried interest @ 7.74% per annum) is secured against hypothecation of the vehicle financed by the loan. Balance repayable in monthly instalments up to April, 2023.

The aggregate values of the vehicle loans outstanding from Toyota Financial Services India Ltd is Rs. 7.72 Lakhs as at March 31, 2022.

(l) Exclusive Capital Limited - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Exclusive Capital Limited - ICD of Rs. 250.00 Lakhs (carried interest @ 9% per annum). Outstanding amount of Rs. 245.65 Lakhs as at March 31, 2022	The loan is repayable in equal monthly instalments till February, 2026.
- Exclusive Capital Limited - ICD of Rs. 166.28 Lakhs (carried interest @ 9% per annum). Outstanding amount of Rs. 153.54 Lakhs as at March 31, 2022	The loan is repayable in equal monthly instalments till January, 2024.

(m) Ambaa Securities Private Limited - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Ambaa Securities Private Limited - ICD of Rs. 50.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 40 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

(n) Burlington Finance Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Burlington Finance Ltd - ICD of Rs. 215.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 161.25 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till May, 2023.

(o) Innovative Commercial Pvt Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Innovative Commercial Pvt Ltd - ICD of Rs. 50.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 40 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

(p) Kamlesh Mercantile Credit Pvt Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Kamlesh Mercantile Credit Pvt Ltd - ICD of Rs. 200.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 160 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

(q) Linear Commercial Pvt Ltd - Inter Corporate Deposit for Working Capital & Other Business requirements - Unsecured

Particulars	Terms of Repayment
- Linear Commercial Pvt Ltd - ICD of Rs. 50.00 Lakhs (carried interest @ 12% per annum). Outstanding amount of Rs. 40 Lakhs as at March 31, 2022.	The loan is repayable in equal monthly instalments till June, 2023.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 18. NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS....contd.

The details of repayment of long term borrowings as at 31st March, 2022 are as follow:

Particulars	Up to 1 year (Rs. In Lakhs)	1 to 5 years (Rs. In Lakhs)	Above 5 years (Rs. In Lakhs)	Total (Rs. In Lakhs)
<b>Secured term loans</b>				
From banks	12,908.44	49,723.73	38,900.80	1,01,532.97
From financial institution	-	-	-	-
<b>Other Secured Loans</b>				
From banks	5.44	-	-	5.44
From financial institution	46.17	4.04	-	50.21
Inter Corporate Deposits	732.63	337.81	-	1,070.44
Promoter Director	-	151.61	-	151.61
Loan from body corporate	991.52	-	-	991.52
<b>Total</b>	<b>14,684.21</b>	<b>50,217.19</b>	<b>38,900.80</b>	<b>1,03,802.20</b>

## 19. NON - CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Security Deposits*	78.48	1,525.47
	<u>78.48</u>	<u>1,525.47</u>

\*Includes Amount of Rs. 27.28 Lakhs (Previous Year: Rs. 27.28 Lakhs) received as refundable interest free security deposit for Service Apartment.

## 20. NON - CURRENT PROVISIONS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	262.71	288.91
Leave Encashment	45.54	47.66
Lease Rent Equalization	-	0.93
	<u>308.26</u>	<u>337.50</u>

## 21. NON - CURRENT LIABILITIES - OTHERS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Advances and Deposits for Platinum Golf Membership (PGM) in Goa Project*	-	2,015.59
	<u>-</u>	<u>2,015.59</u>

\*Advances & Deposits for Villa & Development rights represents deposit for development rights and advances and deposits from prospective buyer of Villas constituents forming part of an All Villa Hotel Complex, Goa.

## 22. CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Secured Term Loans</b>		
<b>From Banks</b>		
<i>External commercial borrowings</i>		
DBS Bank Limited	3,026.30	-
<i>Other Term Loans</i>		
Bank of Maharashtra - Rupee Loan	3,147.00	1,907.00
Punjab national Bank - Rupee Loan	1,872.00	1,134.00
Indusind Bank Ltd - Rupee Loan	1,346.00	549.93
Yes Bank Ltd.-Rupee loan	1,765.92	2,198.97

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 22. CURRENT FINANCIAL LIABILITIES - BORROWINGS....contd.

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<i>Funded Interest Term Loans (FITL)</i>		
Bank of Maharashtra - FITL	555.87	-
Punjab national Bank - FITL	297.02	-
IndusInd Bank Ltd -FITL	229.45	23.14
Yes Bank Limited - FITL	668.89	
<i>For acquisition of /secured against vehicles</i>		
ICICI Bank Limited- Rupee loan	5.44	18.35
HDFC Bank Limited- Rupee loan	-	14.66
<i>Overdraft Facilities</i>		
Yes Bank Limited	4,012.36	3,432.71
DBS Bank	-	-
Axis Bank Limited	1,254.22	1,154.08
IndusInd Bank	557.50	520.72
	<b>18,737.97</b>	<b>10,953.56</b>
<b>From Financial Institution</b>		
<i>For acquisition of /secured against vehicles</i>		
Kotak Mahindra Prime Limited - Rupee loan	39.13	40.82
Toyota Financial Services - Rupee loan	7.05	9.09
	<b>46.18</b>	<b>49.91</b>
<b>Unsecured- Others</b>		
Intercorporate Deposits* (carry interest @ 9% to 12%)	732.63	15,398.10
Loan from body corporate	991.52	
	<b>20,508.30</b>	<b>26,401.57</b>

### Nature of security and terms of repayment for secured current financial liabilities-borrowings:

#### (a) Yes Bank Limited

- Overdraft facilities (carried interest @ 9.80 - 11.40 % per annum)
- Yes Bank Limited -FITL I OD (carried interest @ 11.25 % per annum) - Bullet repayment on March, 2023

Both facilities are secured by :-

- First pari passu charge of land & building of Hotel Hyatt Regency Delhi
- First pari passu charge of unsold area of New Tower Block A in Hyatt Regency Delhi (1st to 6th Floor except 3000 sq ft at 6th Floor) & Receivable from the sale/lease.
- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets
- Personal guarantee of Mr. Shiv Kumar Jatia & Managing Director (Mr. Amritesh Jatia)
- Pledge of shareholding of Mr. Shiv Kumar Jatia, his associates, Asian Holding Private Limited & Other group Companies (total amounting to 7.2%) in the Company.
- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.
- Charge over two power generation units of 3MW (including its Cashflows) situated at Maharashtra.
- Presently the OD is overdrawn by Rs. 810.90 Lakhs.
- Refer Note 18(c) above



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 22. CURRENT FINANCIAL LIABILITIES - BORROWINGS....contd.

### (b) Axis Bank Limited - Overdraft facilities (carried interest @ 11.45% per annum) and is secured by :-

- first pari passu charge of land & building of Hotel Hyatt Regency Delhi and unsold area of New Tower Block A in Hyatt Regency Delhi,
- first pari-passu charge on the Land and Building pertaining to the existing Hotel complex.
- first pari passu charge on movable fixed assets (Excluding vehicles, windmills and power saving equipment), first pari passu charge on current assets (Present and Future),
- personal guarantee of Chairman & Managing Director & Non-Executive Director (Mr. Amrithesh Jatia),
- pledge of shares representing Company's investment in foreign subsidiary company
- Presently the OD is overdrawn by Rs. 7.44 Lakhs.

### (c) IndusInd Bank Limited - Overdraft facilities & FITL (OD)

IndusInd Bank Limited which was not initially part of OTR Scheme has during FY 2021-22 agreed for One time restructuring of all Credit facilities vide Sanction Letter dated 16th December, 2021. The, terms as per new restructured Scheme are placed below:

Particulars	Terms of Repayment
- IndusInd Bank Limited - Overdraft facilities of Rs. 500.00 Lakhs (carried interest @ 9% - 10.40% per annum)	Represents OD limit and hence Repayable on demand
- IndusInd Bank Limited - FITL (OD) of Rs. 0.23 Lakhs (carried interest @ 10% per annum)	Repayable in bullet repayment on 31st March, 2023.
<b>All the Above mentioned Credit facilities are secured by:-</b>	
<ul style="list-style-type: none"> <li>- First pari passu charge of existing and future land &amp; building of Hotel Hyatt Regency Delhi</li> <li>- First pari passu charge on movable fixed assets (Excluding vehicles and power saving equipment), first pari passu charge on current assets (Present and Future)</li> <li>- First pari passu charge on current Assets of the company both present and future.</li> <li>- Pari passu charge of unsold area of New Tower Block A and Cashflow thereon and cashflow from the sale of 40,000 Sq. ft area of Shopping Arcade located in Hyatt Regency Delhi.</li> <li>- First pari passu charge on all cashflows of the company.</li> <li>- Fixed Deposit of Rs. 600.00 Lakhs to be held as exclusive collateral and will be provided by Personal guarantors as per schedule provided by IndusInd Bank.</li> <li>- Personal guarantee of Mr. Shiv Kumar Jatia (Resigned from Chairman &amp; Managing Director w.e.f 21st October, 2021) &amp; Managing Director (Mr. Amrithesh Jatia)</li> <li>- First pari passu Pledge of shares representing Company's investment in foreign subsidiary company.</li> <li>- Presently the OD is overdrawn by 57.50 Lakhs and is in process of being converted into FITL.</li> </ul>	

## 23. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Due to micro and small enterprises	154.31	179.15
Due to other than micro and small enterprises	9,317.58	9,260.31
	9,471.89	9,439.45

The disclosure pursuant to the said Act is as under:

### DISCLOSURE UNDER MSMED ACT, 2006

	As at 2021-22 (Rs. In Lakhs)	As at 2020-21 (Rs. In Lakhs)
(a) Principal amount due to suppliers under MSMED Act, 2006	154.31	179.15
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	-	-
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with Group.



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 23. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES....contd.

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
<b>Undisputed Trade Payables – MSME</b>					
As at 31st March, 2022	90.84	39.15	18.10	6.23	154.31
As at 31st March, 2021	124.50	20.95	2.57	-	148.03
<b>Undisputed Trade payables – Others</b>					
As at 31st March, 2022	1,993.01	444.77	2,778.24	3,761.11	8,977.13
As at 31st March, 2021	1,775.07	3,252.38	1,680.73	2,133.78	8,841.97
<b>Disputed Trade payables – MSME</b>					
As at 31st March, 2022	-	-	-	-	-
As at 31st March, 2021	20.45	1.08	-	-	21.53
<b>Disputed Trade payables – Others</b>					
As at 31st March, 2022	1.37	11.64	325.26	2.17	340.45
As at 31st March, 2021	27.95	295.16	2.17	-	325.28
<b>Total Trade payables as at 31st March, 2022</b>	<b>2,085.22</b>	<b>495.56</b>	<b>3,121.60</b>	<b>3,769.51</b>	<b>9,471.89</b>
<b>Total Trade payables as at 31st March, 2021</b>	<b>1,947.97</b>	<b>3,569.57</b>	<b>1,685.48</b>	<b>2,133.78</b>	<b>9,336.80</b>

Note :- Trade payable ageing not provided for comparative figures related to ultimate subsidiary "Leading Hotels Limited" over which group loss the control during the year & books of Accounts not in the custody of the company.

## 24. CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Security deposits*	1,772.32	404.48
Interest accrued but not due on borrowings	722.61	2,811.89
Interest accrued but & due but not paid on borrowings	24.53	93.35
Payables for capital goods	-	110.27
Employee Dues	815.90	746.67
Other payables	74.61	62.01
Unpaid/unclaimed dividend	0.45	2.33
Asian Holding Private Limited #	506.28	-
	<b>3,916.70</b>	<b>4,231.00</b>

\*The above includes Rs. 180.12 Lakhs (Previous Year: Rs. 180.12 Lakhs) received as refundable interest free security deposits against leave and license agreements relating to the shops in Hotel Hyatt Regency, Rs. 52.96 Lakhs (Previous Year: Rs. 52.96 Lakhs) received as refundable interest free security deposit for Service Apartment & Rs. 1,500 Lakhs (Previous Year: Rs. 1,500 Lakhs) received as refundable interest free security deposit for parking space in Serviced Apartment Tower.

#Liability against Fixed Deposits provided by Asian Holding Private Limited to Yes Bank Limited as guarantee for Credit Facilities availed by the Company is invoked by Yes Bank Limited during the FY 2021-22. Accordingly, the amount is owed by the Company to Asian Holding Private Limited. The matter is pending before Delhi High Court which has ordered Status Quo in the matter of invocation of pledge of shares and Fixed Deposits.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 25. OTHER CURRENT LIABILITIES

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Advance from customers *	5,685.37	5,797.12
Statutory liabilities	1,428.77	1,490.99
Payable for expenses	-	1.48
Advance Receipt for Sale of Fixed Assets#	91.88	341.88
Other liabilities	3,076.81	2,874.92
	<u>10,282.83</u>	<u>10,506.39</u>

\* Advance includes amount received upon execution of agreements related to apartments amounting to Rs.4846.05 Lakhs (Previous year ended March 31, 2021: Rs. 4,851.15 Lakhs)

# Advance for Sale of Fixed Assets includes Rs. 91.87 lakhs (Previous Year 321.88 ) received for the Sale of Windmills Assets Located in Maharashtra

## 26. SHORT TERM PROVISIONS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
Provision for employee benefit		
Gratuity	42.46	323.97
Leave Encashment	13.76	13.88
	<u>56.22</u>	<u>337.85</u>

## 27. REVENUE FROM OPERATIONS

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>ROOMS, FOOD, BEVERAGES AND OTHER SERVICES</b>		
Room income	4,062.50	2,435.76
Wines and liquor	1,415.09	641.31
Food, other beverages, smokes and banquets	5,772.80	2,837.22
Communications	3.18	2.57
Others*	1,798.97	1,341.44
	<u>13,052.54</u>	<u>7,258.30</u>

\*Includes related to generation of electricity business (Refer Note on Segment Reporting) 53.79      150.35

## 28. OTHER INCOME

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Interest Received/Receivable		
From banks	9.23	3.07
From others	28.08	62.68
From Income Tax refund	-	0.01
Excess provisions no longer required written back	375.13	160.70
Net gain on foreign currency transaction and translation (other than finance cost)	-	195.61
Miscellaneous income	12.15	45.55
	<u>424.59</u>	<u>467.63</u>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 29. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>WINES AND LIQUOR</b>		
Opening Stock	186.11	356.95
Add : Purchases	271.29	66.91
	<u>457.40</u>	<u>423.86</u>
Closing Stock	(126.17)	(186.11)
	<u>331.23</u>	<u>237.75</u>
<b>PROVISIONS, OTHER BEVERAGES AND SMOKES</b>		
Opening Stock	51.66	109.97
Add : Purchases	1,848.56	839.48
	<u>1,900.22</u>	<u>949.45</u>
Closing Stock	(72.74)	(51.66)
	<u>1,827.48</u>	<u>897.79</u>
Excise duty expense	-	-
	<u>2,158.71</u>	<u>1,135.54</u>
Percentage of total consumption between:		
Indigenous 99.85% (Previous Year 100%)	2,155.46	1,135.54
Imported 0.15% (Previous Year Nil %)	3.25	-

## 30. EMPLOYEE BENEFITS EXPENSES

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Salaries and wages	3,024.09	2,725.57
Contribution to provident and other funds	169.78	165.46
Contract labour and services	542.06	343.53
Staff welfare expense	327.01	370.51
Recruitment and training	12.63	5.70
	<u>4,075.57</u>	<u>3,610.77</u>

## 31. FINANCE COSTS

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Interest expenses	9,303.31	9,555.35
Other borrowing costs (including bank charges)	574.90	470.41
Applicable net loss / (gain) on foreign currency transactions and translation	1,101.06	919.02
{Refer Note 3.10 on borrowing costs}	<u>10,979.27</u>	<u>9,106.74</u>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 32. OTHER EXPENSES

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>OPERATING, ADMINISTRATION AND GENERAL EXPENSES</b>		
Linen, room, catering and other supplies/services	582.66	715.06
Operating equipment and supplies written off	58.82	161.45
Power, fuel and light (net)	1,627.36	1,145.10
Repairs, maintenance and refurbishing *	641.24	512.56
Rent	7.71	3.00
Rates and taxes	386.03	296.32
Insurance	113.94	95.98
Data processing charges	266.67	223.83
Legal and professional charges	783.71	375.35
Payment to the auditors**	18.75	27.61
Stationery and printing	56.49	37.16
Travelling and conveyance	274.38	58.34
Guest transportation	40.48	17.93
Communication (including telephones for guests)	117.39	92.42
Technical services	289.17	13.71
Advertisement, publicity and business promotion	48.80	209.46
Commission and brokerage	495.36	275.10
Charity and donation	0.04	0.73
Fine & Penalty	-	0.73
Bad debts / advances written off	-	50.73
Loss on Fixed Assets sold/discarded (net)	32.05	335.29
Provision for doubtful debts / advances	36.90	32.77
Subscription & Membership	-	3.89
Electricity	-	0.24
Exchange Fluctuation loss	238.95	108.29
Difference in Exchange	-	-
Miscellaneous	119.80	88.25
	<b>6,236.69</b>	<b>4,881.31</b>

\* includes:

Repairs to buildings	130.77	135.08
Repairs to machinery	409.92	266.79

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

-statutory audit	16.75	25.61
-tax audit fee	2.00	2.00
	<b>18.75</b>	<b>27.61</b>

## 33. EARNINGS PER EQUITY SHARE

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Profit/(loss) available for equity shareholders	(45,383.31)	(69,497.58)
Weighted average numbers of equity shares outstanding	1,94,53,229	1,94,53,229
Nominal value per equity share (in Rupees)	10.00	10.00
Earnings /(loss) Per Equity Share- Basic and Diluted (in Rupees)	<b>(233.29)</b>	<b>(357.25)</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 34. EXCEPTIONAL ITEMS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
- Provision for impairment of Investment in subsidiary	32,898.95	56,914.72
	<b>32,898.95</b>	<b>56,914.72</b>

During the financial year 2021-22 the Direct Subsidiary, i.e., Finline Hospitality & Consultancy Pte Ltd, Mauritius (FHCPL) 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 its Standalone financials 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.

## 35. CONTINGENT LIABILITIES AND COMMITMENTS

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>CONTINGENT LIABILITIES</b>		
(a) Claims against the Company not acknowledged as debts *	-	-
*pertains to cases filed by certain employees of the Company		
(b) Service tax demand not provided for *		
* pertains to a demand raised by Service Tax Authorities amounting to Rs. 401.10 Lakhs which includes penalty demand of Rs. 250.00 Lakhs and excluding interest for earlier years up to 2007, against which the Company has filed an appeal with Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi on 11th March 2014. Since the Company had already deposited the service tax payable, as determined by the tax authorities, before issuance of the show cause notice for levy of the penalty, it is contesting before the above appellate authorities that it is not liable to pay any penalty and interest.	250.00	250.00
*An appeal has been filed by AHNL before Supreme Court against Customs, Excise and Service Tax Appellate Tribunal (CESTAT) demand for Rs. 2,14,61,690/-	214.62	214.62
(c) Additional bonus liability for the financial year 2014-15 owing to amendment made in "The Payment of Bonus Act, 1965" w.r.e.f. 1st April, 2014, has not been provided for as the matter is subjudice before various High Courts in the country.	-	-
(d) Relating to an accident in the hotel premises, a writ petition has been filed with Delhi High Court by a relative of the injured person, and the Company has been made one of the respondents. The same relative has also filed a consumer complaint/petition, before the National Consumer Dispute Redressal Commission (NCDRC), against the Hyatt Hotels Corporation, Chicago and Hotel Hyatt Regency, Delhi, seeking compensation for the above injured person on various counts. Any consequence on the outcome of the above writ petition and the Consumer complaint before the NCDRC can not be ascertained.	-	-
(e) The Company has, on February 11th, 2020 received a demand Notice dated 05.02.2020 from the Asstt. Assessor & Collector (HQ), 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.	3,725.29	3,725.29

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 35. CONTINGENT LIABILITIES AND COMMITMENTS....contd.

	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
(f) Termination of Space Buyer Agreeemnt (SBA)		
The Company has received Rs. 1,89,00,000/- under the SBA for Property- Unit number 1005 admeasuring approximately 750 sq. ft. super area situated on the 1 st Floor of the Block A- New Tower situated at District Centre, Bhikaji Cama Place, R. K. Puram, New Delhi. The Company has called upon for balance payment i.e. Rs. 47,25,000/- but party defaulted for such payment & Company terminated SBA. Party has filed suit for specific performance seeking relief for value of Rs. 2,36,25,000/- case is pending in Delhi High Court.	189.00	189.00
(g) The Company has let out the commercial property Premises unit No. 404, 405 & 406 on 4th floor of Block-A "Hyatt Regency Complex" situated at District Centre, Bhikaji Cama Place, R. K. Puram, New Delhi. The tenant was defaulted in rent payment & demanding its security deposit of Rs. 54,70,206/-. The Tenant has moved to the Hon'be Delhi Hgh Court for refund of security deposit along with interest @18% p.a. The Company has made counter claim for Rs. 2,60,51,560/-.	54.70	54.70
(h) Income Tax Matters against which appeal filed before Appellate Authority. Considering the facts of the matters, management is of the view that there will not be any material impact on accounts on finalization appeal.	1329.20	-
(i) Deposit for Car Parking of Apartment Tower		
Vistrat Real Estates Private Limited issues demand notice for refund of refundable security deposit. The matter is pending for arbitration.	1500.00	-
(j) Rental Expenses related terminated lease agreements		
The company has terminated Lease agreements of Apartments. Due to such termination Rent Expenses not provided for from April, 2020 till March, 2022. Some parties has litigate such termination & ask for payment of monthly lease rental. Due to ongoing litigation future outcome is uncertain.	1434.32	-
(k) Shopping Arcade		
The Company has terminated the license agreement of shopping arcade located in premises of hotel & ask to vacate the same with the time provided. Parties has disputed the same. Now matter is subjudice. Management is confident that they will able get shops vacated & atmost there will outflow of Security deposits amounting to Rs. 180.13 Lakhs.	180.13	-
(l) Commitment Charges		
Commitment Charges to various parties not booked on account of litigation by the parties & future outcome is uncertain.	123.61	-
(m) TDS related dues appearing on TRACES portal (subject to reconciliation and adjustment)	3.79	8.50

### Notes:

- (a) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters stated above, pending resolution of the proceedings.

### COMMITMENTS

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	-	189.80
(b) Future commitments in respect of assets acquired under Finance Schemes:		
Minimum installments payable within one year	53.78	792.66
later than one year but not later than five years	4.06	4,418.60
Present value of minimum installments payable within one year	51.61	564.30
later than one year but not later than five years	4.04	2,311.78

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 36. SEGMENT REPORTING

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 those segments though 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.

Particulars	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>Segment Revenue</b>		
a. External Sales		
- Hotel Business	12,756.16	6,793.51
- Power generation operations	53.79	150.35
- Real Estate Operation	242.59	314.42
	<u>13,052.54</u>	<u>7,258.29</u>
b. Other Operating Income		
- Hotel Business	409.11	186.67
- Power generation operations	-	-
- Real Estate Operation	-	-
	<u>409.11</u>	<u>186.67</u>
Total Income (a+b)	<u>13,461.66</u>	<u>7,444.97</u>
<b>Segment Expenses</b>		
- Hotel Business	14,334.28	10,463.87
- Power generation operations	114.31	136.47
- Real Estate Operation	514.96	337.30
	<u>14,963.55</u>	<u>10,937.64</u>
<b>Finance cost</b>		
- Hotel Business	7,314.27	6,178.98
- Power generation operations	-	-
- Real Estate Operation	3,664.99	2,926.44
	<u>10,979.27</u>	<u>9,105.43</u>
<b>Segment Results</b>		
- Hotel Business	(8,483.28)	(9,662.67)
- Power generation operations	(60.52)	13.89
- Real Estate Operation	(3,937.36)	(2,949.32)
<b>Profit before Income Tax</b>	<u>(12,481.16)</u>	<u>(12,598.10)</u>
<b>Income tax Expenses</b>	-	-
<b>Profit After Income Tax</b>	<u>(12,481.16)</u>	<u>(12,598.10)</u>
<b>Segment Assets</b>		
- Hotel Business	1,39,212.29	1,50,434.98
- Power generation operations	724.25	951.44
- Real Estate Operation	15,658.46	6,697.03
	<u>1,55,595.00</u>	<u>1,58,083.46</u>
<b>Segment Liabilities</b>		
- Hotel Business	1,48,564.09	1,51,171.93
- Power generation operations	144.77	366.96
- Real Estate Operation	6,886.14	6,544.57
	<u>1,55,595.00</u>	<u>1,58,083.46</u>



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 37. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS

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

### (a) Defined contribution plans

- Provident fund

The Company has recognized the following amounts in the statement of profit and loss:

Employers' contribution to provident fund :- Current Year Rs. 156.62 Lakhs (Previous Year Rs. 155.61 Lakhs)

### (b) Defined benefit plans

- Gratuity
- Compensated absences - Earned leave

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

#### Economic Assumptions

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

#### Discount Rate

The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The estimated term of the benefits/obligations works out to zero years. For the current valuation a discount rate of 6.91% p.a. (Previous Year 6.92% p.a.) compound has been used.

#### Salary Escalation Rate

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

The assumptions used are summarized in the following table:

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2022	As at 31-03-2021	As at 31-03-2022	As at 31-03-2021
Discount rate(per annum)	7.18%	6.91%	7.18%	6.91%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Expected rate of return on plan assets	NA	NA	NA	NA
Mortality Rates	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement age	58 Years	58 Years	58 Years	58 Years
Withdrawal rates				
- Up to 30 years	3.00%	3.00%	3.00%	3.00%
- From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
- Above 44 years	1.00%	1.00%	1.00%	1.00%

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Change in present value of the defined benefit obligation during the year</b>				
Present value of obligation as at the beginning of the year	612.88	641.60	61.53	92.48
Adjustment*	(258.93)	-	-	-
Interest Cost	42.35	44.40	4.25	6.40
Current Service Cost	24.43	38.74	19.08	22.15

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 37. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS....contd.

	Gratuity (Unfunded)		Compensated Absences Earned Leave (Unfunded)	
	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)	As at 31-03-2022 (Rs. In Lakhs)	As at 31-03-2021 (Rs. In Lakhs)
<b>Benefits Paid</b>	<b>(74.15)</b>	(45.97)	<b>(26.45)</b>	(11.64)
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	<b>0.00</b>	0.00	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	<b>(5.20)</b>	0.22	<b>(1.51)</b>	0.04
Actuarial (Gain)/Loss on arising from Experience Adjustment	<b>(36.21)</b>	(66.12)	<b>2.40</b>	(47.91)
Present value of obligation as at the end of the year	<b>305.17</b>	612.88	<b>59.30</b>	61.53
<b>Change in fair value of plan assets during the year</b>				
Fair Value of plan assets at the beginning of the year	<b>NA</b>	NA	<b>NA</b>	NA
Interest Income	<b>NA</b>	<b>NA</b>	<b>NA</b>	
Contributions by the employer	<b>NA</b>	NA	<b>NA</b>	NA
Benefits paid	<b>NA</b>	NA	<b>NA</b>	NA
Return on plan assets	<b>NA</b>	NA	<b>NA</b>	NA
Fair Value of plan assets at the end of the year	<b>NA</b>	NA	<b>NA</b>	NA
<b>Net Asset/ (Liability) recorded in the Balance Sheet</b>				
Present value of obligation as at the end of the year	<b>(305.17)</b>	(612.88)	<b>(59.30)</b>	(61.53)
Net Asset/ (Liability)-Current	<b>(42.46)</b>	(323.97)	<b>(13.76)</b>	(13.88)
Net Asset/ (Liability)-Non-Current	<b>(262.71)</b>	(288.91)	<b>(45.54)</b>	(47.65)
<b>Expenses recorded in the Statement of Profit &amp; Loss during the year</b>				
Interest Cost	<b>42.35</b>	44.40	<b>4.25</b>	6.40
Current Service Cost	<b>24.43</b>	38.74	<b>19.08</b>	22.15
Actuarial (Gain)/Loss on arising from Change in Financial Assumption-	-	<b>(1.51)</b>	0.04	
Actuarial (Gain)/Loss on arising from Experience Adjustment	-	-	<b>2.40</b>	(47.91)
Total expenses included in employee benefit expenses	<b>66.78</b>	83.14	<b>24.22</b>	(19.31)
<b>Recognized in Other Comprehensive Income during the year</b>				
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption-	-	-	-	
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	<b>(5.20)</b>	0.22	-	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	<b>(36.21)</b>	(66.12)	-	-
Recognized in Other Comprehensive Income	<b>(41.41)</b>	(65.89)	-	-
<b>Maturity profile of defined benefit obligation</b>				
Within 12 months of the reporting period	<b>42.46</b>	323.97	<b>13.76</b>	13.88
Between 2 and 5 years	<b>149.74</b>	120.50	<b>13.04</b>	21.84
Between 6 and 10 years	<b>112.97</b>	168.41	<b>32.50</b>	25.82
<b>Quantitative sensitivity analysis for significant assumption is as below:</b>				
Increase/ (decrease) on present value of defined benefit obligation at the end of the year				
Half percentage point increase in discount rate	<b>(9.35)</b>	(10.85)	<b>(2.60)</b>	(2.10)
Half percentage point decrease in discount rate	<b>10.04</b>	11.67	<b>2.85</b>	2.29
Half percentage point increase in salary increase rate	<b>10.21</b>	11.83	<b>2.90</b>	2.32
Half percentage point decrease in salary increase rate	<b>(9.58)</b>	(11.09)	<b>(2.67)</b>	(2.15)

\*Represents liability crystalized during the year on account of retirement of Mr S K Jatia dated October 21, 2021

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 37. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS....contd.

Expected contribution to the defined benefit plan for the next reporting period

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Expected contribution to the defined benefit plan for the next reporting period (Gratuity)	53.50	77.63
Expected contribution to the defined benefit plan for the next reporting period (Compensated Absences Earned Leave)	30.75	28.75

## 38. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of section 135(5) of the Companies Act, 2013 (the Act), the Holding Company has formed its Corporate Social Responsibility (CSR) Committee. As per the relevant provisions of the Act read with Rule 2(1)(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Holding Company is required to spend at least 2% of the average net profits determined under section 198 of the Companies Act 2013 during the immediately three financial years. However, due to inadequacy of profits as per Section 198 of the Companies Act, 2013, the Holding Company is not required to spend any amount on CSR activities for Financial Year 2021-22

Gross amount required to be spent by the Company during the year: Rs. NIL (Previous year - Rs. NIL)

## 39. EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
(a) Value of imports calculated on CIF basis		
Food and beverages	3.25	2.62
Stores and spares	-	-
Capital goods	-	-
Beverages - through canalising agencies	-	-
(b) Expenditure in foreign currency		
Technical services (Royalty)	52.48	25.37
Technical services (Professional and consultation fees)	197.82	258.79
Interest on Foreign Currency Loan	1,203.57	1,793.54
Commission and brokerage	82.88	19.83
Software Expense	1.77	1.78
Advertisement and publicity	-	0.31
Entertainment Expense	3.82	3.02
Miscellaneous	1.61	-
(c) Earning in foreign currency		
Revenue from operations (As reported by the management of the Company and certified by an independent Chartered Accountant)	1,603.72	1,032.23

## 40. DERIVATIVE INSTRUMENTS

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise as at 31st March, 2022 and 31st March, 2021 are as under:

	As at 31-03-2022		As at 31-03-2021	
	Foreign Currency	(Rs. In Lakhs)	Foreign Currency	(Rs. In Lakhs)
<b>Receivables</b>				
Loans and advances given (in USD)	-	-	11,189.61	8.11
Other Receivable (in USD)	-	-	4,38,278.56	317.33
<b>Payables</b>				
Trade payables (in USD)	81,58,902	6,185.03	71,90,627.32	5,206.34
Payable for capital goods (in USD)	-	-	-	-
External Commercial Borrowings (ECBs) (in USD)	3,52,15,726	26,696.02	3,23,53,773.66	23,427.91
Interest on ECBs (in USD)	7,16,150	542.89	7,13,230.84	516.41

# ASIAN HOTELS (NORTH) LIMITED

## NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### 41. COVID 19 IMPLICATIONS

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.

### 42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24

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

Mr. Shiv Kumar Jatia	Chairman & Managing Director
Mr. Amritesh Jatia	Managing Director

#### (b) Companies which significantly influence the Group (either directly or indirectly)

Yans Enterprises (HK) Limited	An overseas entity
Fineline Holding Limited	An overseas entity
Asian Holdings Pvt. Ltd.	A domestic entity
RSJ Holdings Ltd., Mauritius	An overseas entity

#### (c) Related parties

##### - Key Management Personnel

Mr. Shiv Kumar Jatia (Resigned w.e.f October 21, 2021)	Chairman & Managing Director of the holding company
Ms. Anita Thapar (Resigned w.e.f August 01, 2020)	Whole Time Director of the holding company
Mr. Amritesh Jatia (Appointed as Managing Director w.e.f October 23, 2021)	Managing Director of the holding company and Director of all the subsidiaries
Mr. Dipendra B Goenka (Resigned w.e.f April 30, 2020)	Non-Executive Director the Holding Company
Mr. Akhilesh Bhuwalka (Appointed w.e.f June 18, 2020)	Non-Executive Director the Holding Company
Mr. Dinesh Kumar Jain (Resigned w.e.f June 08, 2021)	Company Secretary of the Holding Company
Dr. Lalit Bhasin (Resigned w.e.f. November 8, 2021)	Independent Non-Executive Director of the holding company
Mr. Dinesh Chandra Kothari (Resigned w.e.f August 10, 2021)	Independent Non-Executive Director of the Holding Company
Ms. Preeti Gandhi (Appointed w.e.f September 13, 2020)	Independent Non-Executive Director the Holding Company and Director of all the subsidiaries
Mr. Pinaki Misra (Resigned w.e.f September 03, 2020)	Independent Non-Executive Director the Holding Company
Mr. Ranjan k. Bhattacharya (Resigned w.e.f September 07, 2020)	Independent Non-Executive Director the Holding Company
Mr. Prakash Chandra Sharma (Resigned w.e.f September 12, 2020)	Chief Financial Officer of the Holding Company
Mr. Dinesh Bhalotia (Appointed w.e.f September 13, 2020 & Resigned w.e.f January 28, 2021)	Chief Financial Officer of the Holding Company
Mr. Rajeev Uberoi (Appointed w.e.f. August 11, 2021 & Resigned w.e.f 10 th April, 2022)	Independent Non-Executive Director the Holding Company
Ms. Saumya Goel (Appointed w.e.f. August 11, 2021 & Resigned w.e.f May 19, 2022)	Company Secretary of the Holding Company
Mr. Ashish Dhanuka (Appointed w.e.f. July 24, 2021 as CFO) (Appointed w.e.f 23rd October 2021 as CFO & Executive Director)	Chief Financial Officer and Executive Director of holding company

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24....contd.

Mr. Sanjeev Agarwala (Appointed w.e.f October 01, 2021)	Independent Non-Executive Director of the Holding Company
<b>- Relative of Key Management Personnel</b>	
Mr. Amritesh Jatia	Managing Director and son of Mr. Shiv Kumar Jatia
Mrs. Archana Jatia	Wife of Mr. Shiv Kumar Jatia
Mr. Ramesh Jatia	Brother of Mr. Shiv Kumar Jatia
Mr. Raj Kumar Jatia	Brother of Mr. Shiv Kumar Jatia
<b>- Entities controlled by Directors or their relatives</b>	
Bhasin & Co.	
Energy Infrastructure (I) Limited	
Deuchny Properties Ltd., Mauritius	
RSJ Holdings Ltd, Mauritius	
Experimental Restaurants Private Limited	
PGA Law Offices LLP	
Lemon Squeeze 2021 Private Limited	

### (b) Transactions with related parties:

	Key Management Personnel and their relatives		Entities controlled by Directors or their relatives			Total
	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
Room, Food, Beverages and other services	0.13	3.20	-	-	0.13	3.20
Day to day operations and Technical assistance services	-	-	1.38	4.57	1.38	4.57
Remuneration	392.84	312.99	-	-	392.84	312.99
Professional Charges	-	-	9.02	2.62	9.02	2.62
Advance for Services	-	-	-	90.00	-	90.00
Loan taken	-	-	7.51	-	7.51	-
Loan repaid	-	-	7.51	20.29	7.51	20.29
Purchases	-	-	-	0.11	-	0.11
Amount written off	-	-	25.76	-	25.76	-
Director's Sitting fees	7.50	21.75	-	-	7.50	21.75
Other Financial Transactions	37.78	-	506.28	-	544.06	-
<b>Balance Outstanding</b>		<b>Payable</b>		<b>Receivable</b>		
	<b>As at 31-03-2022</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2022</b>	<b>As at 31-03-2021</b>	<b>As at 31-03-2022</b>	<b>As at 31-03-2021</b>
	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>
Key Management Personnel and their relatives	458.14	370.69	0.41	0.54		
Entities controlled by Directors or their relatives	511.03	21.04	91.61	140.61		
Total	969.17	391.74	92.02	141.14		

### Note:

- (i) The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24....contd.

### (c) Disclosure in respect of related party-wise transactions

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
<b>Room, Food, Beverages and other services</b>		
Energy Infrastructure (I) Limited	-	-
Bhasin & Co.	-	-
Experimental Restaurants Private Limited	-	-
Mr. Ranjan K. Bhattacharya	-	1.06
Mr. Pinaki Misra	-	1.39
Dr. Lalit Bhasin	-	0.60
Mr. Dinesh Jain	0.13	0.14
<b>Day to Day Services</b>		
Experimental Restaurants Private Limited	-	4.16
Lemon Squeezy Private Limited	1.32	-
<b>Remuneration</b>		
Mr. Shiv Kumar Jatia*	370.67	231.58
Ms. Anita Thapar*	-	22.96
Mr. Dinesh Kumar Jain*	6.27	35.88
Mr. Prakash Chandra Sharma*	-	14.34
Mr. Dinesh Kumar Bhalotia	-	1.51
Ms. Nitika Garg	-	0.64
Ms. Priya Sethi	-	3.42
Ms. Tanya Aggarwal	-	2.66
Mr. Ashish Dhanuka*	9.32	-
Ms. Saumya Goel*	6.58	-
<b>Professional Charges</b>		
Bhasin & Co.	5.40	2.62
PGA Law Offices LLP	3.62	-
<b>Purchases</b>		
Experimental Restaurants Private Limited	-	0.11
<b>Payments Made / Expenses incurred on behalf of Related Party</b>		
Energy Infrastructure (I) Limited	-	-
Experimental Restaurants Private Limited	0.06	0.41
<b>Director's Sitting fees</b>		
Mr. Amritesh Jatia	-	-
Mr. Ranjan K. Bhattacharya	-	3.50
Dr. Lalit Bhasin	-	7.00
Mr. Pinaki Misra	-	2.75
Mr. Dinesh Chandra Kothari	-	5.25
Ms. Preeti Gandhi	-	2.00
Mr. Dipendra B Goenka	-	-
Mr. Akhilesh Bhulwalkha	-	1.25
Ms. Anita Thapar	-	-
Mr. Sanjay Banthiya	-	-
Mr. Rajeev Uberoi	3.50	-
Mr. Sanjeev Agarwala	4.00	-
<b>Amount Written off</b>		
Experimental Restaurants Private Limited	25.76	-
<b>Loan taken from</b>		
Fineline Holdings Limited	7.51	-
Deuchny Properties Ltd.	-	-
Heyking Limited	-	-
<b>Loan repayment to</b>		
Fineline Holdings Limited	7.51	19.92
Deuchny Properties Ltd.	-	0.37
Heyking Limited	-	-
Amritesh Jatia	-	-

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 42. RELATED PARTY DISCLOSURES AS PER INDIAN ACCOUNTING STANDARD-24....contd.

	2021-22 (Rs. In Lakhs)		2020-21 (Rs. In Lakhs)	
<b>Advances for Services</b>				
Bhasin & Co.		-		90.00
<b>Other Financial Transactions</b>				
Asian Holdings Pvt. Ltd.		506.28		-
Mr. Shiv Kumar Jatia		37.78		-
<b>Balance Outstanding</b>			<b>Payable</b>	<b>Receivable</b>
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31-03-2022</b>	<b>31-03-2021</b>	<b>31-03-2022</b>	<b>31-03-2021</b>
	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>	<b>(Rs. In Lakhs)</b>
Experimental Restaurants Private Limited	-	17.93	-	44.36
Energy Infrastructure (I) Limited	-	-	4.00	4.00
Bhasin & Co.	3.47	3.11	87.61	92.25
Asian Holding Pvt. Ltd.	506.28	-	-	-
PGA Law Office LLP	0.01	-	-	-
Lemon Squeezee Private 2021 Limited	1.26	-	-	-
Mr. Shiv Kumar Jatia	300.71	166.83	-	-
Mr. Amritesh Jatia	151.61	155.14	-	-
Mr. Ramesh Jatia	-	1.89	-	-
Mr. Raj Kumar Jatia	-	8.61	-	-
Mr. Dinesh Kumar Jain	-	1.69	-	-
Mr. Dinesh Chandra Kothari	-	12.99	-	-
Mr. Dipendra K Goenka	-	0.05	-	-
Mr. Pinaki Misra #	-	0.69	0.19	0.53
Mr. Ranjan Kishore Bhattacharya	-	3.24	-	0.01
Mr. Akhilesh Bhuwalka	1.25	1.16	0.09	-
Ms.Preeti Gandhi	0.75	0.69	0.06	-
Mr. Rajeev Uberoi	2.00	-	-	-
Dr. Lalit Bhasin	-	17.72	0.08	-
Mr. Ashish Dhanuka	1.01	-	-	-
Ms. Saumya Goel	0.81	-	-	-

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

\* These include Provident Fund paid / payable by the employer.

# Amounts have been subsequently paid

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022



# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 43. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

### I. Figures as at March 31, 2022

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current Assets</b>									
<b>Financial Assets</b>									
(i) Investments	-	-	-	-	-	-	-	-	-
(ii) Loans	-	-	-	17.69	17.69	-	-	-	-
(iii) Others	-	-	-	-	-	-	-	-	-
<b>Current Assets</b>									
<b>Financial Assets</b>									
(i) Trade Receivables	-	-	-	1,100.59	1,100.59	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	141.04	141.04	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	512.24	512.24	-	-	-	-
(iv) Others	-	-	-	308.43	308.43	-	-	-	-
	-	-	-	<b>2,079.99</b>	<b>2,079.99</b>	-	-	-	-
<b>Non Current Liabilities</b>									
<b>Financial Liabilities</b>									
(i) Borrowings	-	-	-	87,411.34	87,411.34	-	-	-	-
(ii) Others	-	-	-	78.48	78.48	-	-	-	-
<b>Current Liabilities</b>									
<b>Financial Liabilities</b>									
(i) Borrowings	-	-	-	20,508.30	20,508.30	-	-	-	-
(ii) Trade Payables	-	-	-	9,471.89	9,471.89	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	3,916.70	3,916.70	-	-	-	-
	-	-	-	<b>1,21,386.71</b>	<b>1,21,386.71</b>	-	-	-	-

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 43. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS....contd.

### II. Figures as at March 31, 2021

Financial Instrument	Carrying Amount					Fair value			
	FVTPL	FVOCI	Total Fair Value	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Non Current Assets</b>									
<b>Financial Assets</b>									
(i) Investments	-	142.54	142.54	-	142.54	-	-	142.54	142.54
(ii) Loans	-	-	-	29.10	29.10	-	-	-	-
(iii) Others	-	-	-	-	-	-	-	-	-
<b>Current Assets</b>									
<b>Financial Assets</b>									
(i) Trade Receivables	-	-	-	1,429.89	1,429.89	-	-	-	-
(ii) Cash and Cash Equivalents	-	-	-	111.43	111.43	-	-	-	-
(iii) Bank Balance other than (ii) above	-	-	-	71.37	71.37	-	-	-	-
(iv) Others	-	-	-	302.53	302.53	-	-	-	-
	-	<b>142.54</b>	<b>142.54</b>	<b>1,944.31</b>	<b>2,086.85</b>	-	-	<b>142.54</b>	<b>142.54</b>
<b>Non Current Liabilities</b>									
<b>Financial Liabilities</b>									
(i) Borrowings	-	-	-	1,00,093.14	1,00,093.14	-	-	-	-
(ii) Others	-	-	-	1,525.47	1,525.47	-	-	-	-
<b>Current Liabilities</b>									
<b>Financial Liabilities</b>									
(i) Borrowings	-	-	-	26,401.57	26,401.57	-	-	-	-
(ii) Trade Payables	-	-	-	9,439.45	9,439.45	-	-	-	-
(iii) Other Financial Liabilities	-	-	-	4,231.00	4,231.00	-	-	-	-
	-	-	-	<b>1,41,690.63</b>	<b>1,41,690.63</b>	-	-	-	-

During the reporting period ending March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board.

### Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....contd.

### Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Group is not exposed to significant interest rate risk as at the specified reporting date.

Refer Note 19 and Note 22 for interest rate profile of the Group's interest-bearing financial instrument at the reporting date.

### Foreign currency risk

The Holding Company and one of the subsidiary company operates locally whereas two of the subsidiaries operates outside India, however, the nature of its operations requires it to transact in several currencies and consequently the Group is exposed to foreign exchange risk in various foreign currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies.

#### I. Foreign Currency Exposure

Refer Note 41 for foreign currency exposure as at March 31, 2022 and March 31, 2021 respectively.

#### II. Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on the profit before tax

Currency	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(334.24)	334.24	(288.25)	288.25
Total	(334.24)	334.24	(288.25)	288.25

### Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the Group compares the risk of a default occurring on the asset at the reporting date with the risk of default as the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty.
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation,
- Significant increase in credit risk on other financial instruments of the same counterparty.
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorizes a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

#### I. Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

(Rs. In lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Non-current financial assets - Loans	17.69	29.10
Current financial assets - loans	-	-
<b>Total (A)</b>	<b>17.69</b>	<b>29.10</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES....contd.

### II. Financial assets for which loss allowance is measured using 12 months Life Time Expected Credit Losses (ECL)

(Rs. In lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Trade Receivables	1,100.59	1,429.89
<b>Total (B)</b>	<b>1,100.59</b>	<b>1,429.89</b>
<b>Grand Total (A+B)</b>	<b>1,118.28</b>	<b>1,458.99</b>

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

### III. The ageing analysis of these receivables (gross of provision) has been considered from the date the invoice falls due

(Rs. In lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Up to 3 months	899.33	834.83
3 to 6 months	26.07	30.57
More than 6 months	191.20	575.22
Less: Provision for doubtful debts	(16.00)	(10.73)
<b>Total</b>	<b>1,100.59</b>	<b>1,429.88</b>

### IV. Provision for expected credit losses again "II" and "III" above

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence based on historic default rates, the Group believes that, no impairment allowance is necessary in respect of above mentioned financial assets.

#### Liquidity Risk

Liquidity Risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecast on the basis of expected cash flows.

#### Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31-03-2022				As at 31-03-2021			
	Less than 1 year	1 to 5 years	Above 5 years	Total	Less than 1 year	1 to 5 years	Above 5 years	Total
Non-current financial liabilities - Borrowings	-	50,217.18	38,900.80	89,117.97	-	45,115.70	54,977.44	1,00,093.14
Non-current financial liabilities - Others	-	78.48	-	78.48	-	1,525.47	-	1,525.47
Current financial liabilities - Borrowings	20,508.30	-	-	20,508.30	26,401.57	-	-	26,401.57
Current financial liabilities - Trade Payables	-	-	-	-	-	-	-	-
Current financial liabilities - Others	3,916.70	-	-	3,916.70	4,231.00	-	-	4,231.00
<b>Total</b>	<b>24,425.00</b>	<b>50,295.66</b>	<b>38,900.80</b>	<b>1,13,621.45</b>	<b>30,632.56</b>	<b>46,641.17</b>	<b>54,977.44</b>	<b>1,32,251.17</b>

#### Capital management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximize shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The Group monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	As at 31-03-2022	As at 31-03-2021
Total Debt	1,07,919.65	1,26,494.71
Equity	23,560.98	45,441.14
<b>Capital and net debt</b>	<b>1,31,480.63</b>	<b>1,71,935.85</b>
<b>Gearing ratio</b>	<b>82.08%</b>	<b>73.57%</b>

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 45. ADDITIONAL REGULATORY INFORMATION

### (i) Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	As at 31st March, 2022	As at 31st March, 2021	Variance
Current Ratio	Current assets	Current liabilities	0.06	0.06	10%
Debt – Equity Ratio	Total Debt	*Shareholder's Equity	4.58	2.78	39%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.02	(0.05)	406%
Return on Equity (ROE)	Net Profits after taxes	*Average Shareholder's Equity	-132%	-306%	-133%
Inventory Turnover Ratio	Sales	Average Inventory	23.34	9.57	59%
Trade receivables turnover ratio	Revenue	Average Trade Receivable	10.65	5.71	46%
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	0.86	0.65	24%
Net capital turnover ratio	Revenue	Working Capital	-0.33	-0.16	51%
Net profit ratio	Net Profit	Revenue	-337%	-900%	-167%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	-1.18%	-2.07%	-75%
Return on Investment(ROI)	Income generated from investments	Time weighted average investments	-	-	-

### Note :-

\*Revaluation Reserve of Rs.41348.25 Lakhs (Rs. 42289.08 Lakhs in FY 2020-21) is considered as part of Shareholder's equity for the purpose of calculation of ratios.

### Remarks for change in ratio by more than 25% with respect to previous year :-

#### Debt – Equity Ratio

Ratio is adverse because of continuous surge in Debts (due to capitalization of Interest & Creation of FITL) and decrease in Equity due to continuous losses.

#### Debt Service Coverage Ratio

Ratio is adverse as company unable to generate enough cash to service its outstanding Debts. There is negligible improvement in ratio due to slight improvement in ratio.

#### Return on Equity (ROE)

Ratio become favourable as compare to previous year because of following reasons:-

- i) Decreases in losses as there is exceptional item during the previous year which is not there is current year.
- ii) Decreases in Average Shareholder's Equity because of continuous losses incurred.

#### Inventory Turnover Ratio & Trade receivables turnover ratio

Ratio become favourable as compare to previous year because last year due to COVID- 19 pandemic operations of hotels & restaurants closed for substantial period during year which resulted in ineffective utilization of inventory & non receipt of dues from corporate clients.

#### Trade payables turnover ratio

Due to cash crunch company unable to repay its operational creditors which resulted in adverse ratio. There is slight improve due to recovery of business during the year.

# ASIAN HOTELS (NORTH) LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

## 45. ADDITIONAL REGULATORY INFORMATION....contd.

### Net capital turnover ratio

Ratio is negative because Working capital of the company is negative & it becomes more adverse because working capital become more negative during the year.

### Net profit ratio

Ratio is adverse due to losses incurred by company. There is improvement in ratio as company has operational profit during the year & previous year there is exceptional item of Rs. 56914.72 Lakhs which further increases the losses.

### Return on capital employed (ROCE)

- Ratio is in negative due to negative EBIT
- There is improvement in ratio as compare to last year due to improvement in EBIT.

### ii) Registration of charges or satisfaction with Registrar of Companies (ROC)

There were 2 delays in filing. One for Registration of Charge and other for Satisfaction of Charge during the financial year 2021-22:

- a) Form CHG-4 pertaining to satisfaction of charge of loan amount of Rs. 1,61,60,342/- from SREI Equipment Finance Limited was filed beyond 30 days vide SRNo. T19669159 dated 21st May, 2021 and an additional fee of RS. 1200/- was paid along with normal fee of Rs. 600/- The delay was due to the pandemic.
- b) Form CHG-1 submitted with MCA beyond 30 days vide SRN T39508361 dated 31.08.2021. This form pertains to charge creation regarding FITL for an amount of Rs. 44,80,000/- from Bank of Maharashtra. Additional fee of Rs. 3600/- was paid along with normal fee of Rs. 600/-. The delay was due to technical reasons.

## 46. ADDITIONAL DISCLOSURE AS REQUIRED BY PARAGRAPH 2 OF SCHEDULE - III

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule - III to the Act

Name of the Enterprise	Net assets i.e. Total assets minus total liabilities		Share in Profit or Loss	
	As a % of consolidated net assets	Rs. In Lakhs	As a % of consolidated profit or loss	Rs. In Lakhs
<b>Parent</b> Asian Hotels (North) Limited	100.97%	23,790.64	-104.36%	47,320.92
<b>Subsidiaries</b> <b>Foreign</b> Fineline Hospitality & Consultancy Pte Limited, Mauritius	0.00%	0.00	164.38%	(74,530.92)
Lexon Hotel Ventures Limited, Mauritius	0.00%	0.00	33.71%	(15,285.66)
<b>Minority Interest in all subsidiaries</b>	-0.97%	(229.66)	6.28%	(2,846.24)

On June 25, 2021 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 for initiating Corporate Insolvency Resolution Process (CIRP). These factors cast a doubt of the ability of the subsidiary to continue as a Going Concern. Since the outcome of the recently commenced insolvency process cannot be estimated as of now, the financial statements are drawn on a reasonable basis which maintains the status-quo of the operations as it is.

### Note: 47 : Current State 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.

The major reasons for stress, due to outbreak of Covid -19 are:

1. Travel Restrictions announced on international travel throughout the globe.
2. Substantial decline in room occupancy level

# ASIAN HOTELS (NORTH) LIMITED

## NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

### Note: 47 : Current State of Business Operations....contd.

3. Substantial decline in F & B and other support services income
4. Decline in income of restaurants
5. Increase in level of Debt due to regular interest application as fixed expenses
6. CRE activity of company also came to halt during pandemic period due to general economic slowdown in the country.”

As 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 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 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 29, 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 intimation from the National E-Governance Services Ltd that the loan recalled by Yes Bank has now been regularized.

#### 2. 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.

### Note: 48 : Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped or reclassified to confirm to Ind AS presentation requirements.

The accompanying notes are integral part of the financial statements

“As per our report of even date attached”

ON BEHALF OF THE BOARD OF DIRECTORS

#### For V. V. Kale & Co.

Chartered Accountants  
Firm Registration No. 000897N

Vijay V. Kale  
Partner  
Membership Number: 080821

AMRITESH JATIA  
Managing  
Director  
DIN: 02781300

ASHISH DHANUKA  
Chief Financial Officer  
and Executive Director  
DIN: 07220876

Place: NEW DELHI  
Dated: 28th May, 2022  
UDIN: 22080821AKQDNK5968



# ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi b 110066

Tel: 011 66771225/26; Fax: 011 26791033

Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

## PROFORMA FOR REGISTRATION/UP-DATION OF NECS MANDATE

**KFin Technologies Limited**  
**Unit: Asian Hotels (North) Limited**  
**Selenium-Tower B**  
**Plot No. 31 & 32, Financial District**  
**Nanakramguda**  
**Serilingampally Mandal**  
**Hyderabad – 500 032**

Folio No.-----

Dear Sirs,

I/We hereby give my/our mandate to credit my/our dividend, in respect of shares held by me/us in **Asian Hotels (North) Limited** under the aforesaid folio, directly to my/our bank account through National Electronic Clearing Service (NECS). The details of the bank account are given below:

A	Name of the Bank		
B	Branch Name & Address		
C	Account Number		
D	Type of Account	Saving	Current/Other
E	Nine Digit MICR Code No.		
F	Indian Financial System Code (IFS Code)		

**Please attach a duly signed blank "cancelled" cheque along with this authorization form.**

I/We hereby declare that particulars given above are correct and complete. If the transaction is delayed or credit is not affected due to incomplete or incorrect information, I/We will not hold the Company or its share transfer agents responsible for the same.

Date:

Place:

-----  
Signature of the sole/1rst holder  
Name & Address of the shareholder

(Please ignore, if you have already registered/up-dated your NECS details)

# ASIAN HOTELS (NORTH) LIMITED

CIN: L55101DL1980PLC011037

Registered Office: Bhikaiji Cama Place, M. G. Marg, New Delhi b 110066

Tel: 011 66771225/26; Fax: 011 26791033

Website: www.asianhotelsnorth.com E-mail: investorrelations@ahlnorth.com

## PROFORMA FOR REGISTRATION/UP-DATION OF E-MAIL IDs

**KFin Technologies Limited**  
**Unit: Asian Hotels (North) Limited**  
**Selenium-Tower B**  
**Plot No. 31 & 32, Financial District**  
**Nanakramguda**  
**Serilingampally Mandal**  
**Hyderabad – 500 032**

Folio No.-----

Dear Sirs,

Please register/up-date my/our e-mail ID for forwarding all oflcial communications including the general meeting notices/postal ballot notices/annual reports etc. of the Company through electronic mail. My/our e-mail ID is as follows:

E-mail ID:

Date:  
Place:

-----  
Signature of the sole/1rst holder  
Name & Address of the shareholder

(Please ignore, if you have already registered/up-dated your e-mail ID)





**Asian Hotels (North) Limited**

CIN: L55101DL1980PLC011037

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Website: [www.asianhotelsnorth.com](http://www.asianhotelsnorth.com) E-mail: [investorrelations@ahlnorth.com](mailto:investorrelations@ahlnorth.com)