

T E N T H

*Annual*

*Report*

*2016 - 17*

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



**BOARD OF DIRECTORS**

Mr. Sushil Kumar Gupta	- Chairman & Managing Director
Mr. Sudhir Chamanlal Gupta	- Executive (Whole-time) Director
Mr. Sandeep Gupta	- Executive (Whole-time) Director
Mr. Raj Kumar Bhargava, IAS (Retd)	- Independent Non Executive Director
Dr. Lalit Bhasin	- Independent Non Executive Director
Mr. Surinder Singh Kohli	- Independent Non Executive Director
Mr. Surendra Singh Bhandari	- Independent Non Executive Director
Mr. Sunil Diwakar	- Non Executive Director
Mrs. Meeta Makhan	- Independent Non Executive Director

**CHIEF FINANCIAL OFFICER**

Mr. Rakesh Kumar Aggarwal

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Vivek Jain

**AUDITORS**

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

**BANKER**

Yes Bank Limited

**REGISTERED OFFICE & INVESTOR  
RELATIONS DEPARTMENT**

**CIN: L55101DL2007PLC157518**

**Regd. Office :** 6th Floor, Aria Towers,  
J.W. Marriott, New Delhi Aerocity,  
Asset Area 4, Hospitality District,  
Near IGI Airport, New Delhi - 110 037  
Phone : 91 11 4610 1210;  
Fax : 91 11 4159 7321;  
Website: www.asianhotelswest.com

**REGISTRAR & SHARE TRANSFER AGENTS**

Karvy Computershare Pvt. Ltd.  
Karvy Selenium Tower-B",  
Plot No 31 & 32. Gaehibowli Financial District,  
Nanankramguda, Serilinggampally,  
Hyderabad -500032  
Tel No. : 040-23420815-24  
Fax No : 040-23420814  
E Mail : mailmanager@karvy.com

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# ASIAN HOTELS (WEST) LIMITED

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 10th Annual Report and Audited Accounts for the Financial Year ended on March 31, 2017.

## OBJECTS, OPERATIONS AND FINANCIAL RESULTS

A summarized position of the revenue, profits, taxation, dividend pay-out and earnings per share for the year under review, on standalone basis, is given below:

(Rs in Crores)

Particulars	2016-17	2015-16
<b>Total Revenue</b>	<b>140.93</b>	135.91
<b>Profit Before Tax</b>	<b>(6.22)</b>	(6.73)
<b>Provision for Taxation</b>		
– Current Tax	<b>0.34</b>	
– Earlier year Tax	<b>(0.01)</b>	(0.31)
– Deferred Tax Charge (Credit)	<b>(2.51)</b>	(2.54)
<b>Profit After Tax</b>	<b>(4.05)</b>	(3.87)
Transfer to General Reserve	–	–
Proposed Dividend on Equity Shares	<b>1.14</b>	1.14
Corporate Dividend Tax	<b>0.23</b>	0.23
<b>Earnings Per Share – Basic (Rupees)</b>	<b>(3.53)</b>	(3.38)
<b>Earnings Per Share – Diluted (Rupees)</b>	<b>(3.53)</b>	(3.38)

## REVIEW OF OPERATIONS

The Gross Revenue of the Company for the financial year under review was Rs. 140.93 Crores as against Rs. 135.91 Crores for the previous financial year ended on March 31, 2016. The profit before tax (after interest and depreciation) was Rs. (6.22) Crores and profit after tax was Rs. (4.05) Crores for the financial year ended on March 31, 2017 as against Rs. (6.73) crores and Rs. (3.87) Crores respectively for the previous year ended on March 31, 2016.

With the growth in the economy and steps taken by the present Government for promoting the tourism the Company aims to do better both in terms of profitability in the times to come and Company is focusing on retaining market share in highly competitive Hotel Market around Hyatt Regency, Mumbai and J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, developed under its subsidiary M/s Aria Hotels and Consultancy Services Private Limited.

## DIVIDEND

The Board has recommended for approval of shareholders, a dividend of 10 % (amounting to Rs. 1/- per Share) (Previous period dividend @ 10%) for the Financial Year ended March 31, 2017 to be paid on 1,14,58,303 Equity Shares of the Company, aggregating a distribution of Rs. 1.14 Crores (Previous period year Rs. 1.14 Crores).

## CONSOLIDATED FINANCIAL STATEMENTS

As required by regulation 33 of the Listing Regulations, the Audited Consolidated Financial Statements together with the Auditors' Report thereon are annexed and form part of this Annual Report.

On consolidated basis, the turnover of the Company for the Financial Year under review was Rs. 371.61 crores as against Rs. 323.81 crores in the previous financial year. The profit after tax (PAT) was Rs. (28.15) crores as against Rs. (50.57) crores in the previous year ended on March 31, 2016.

Your Company has prepared Consolidated Financial Statements in accordance with the applicable Accounting Standards. The Consolidated Financial Statements reflect the results of the Company and that of its subsidiary company. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiary are prepared in form AOC-1, which is annexed as **Annexure 1** herewith and forms a part of this report.

## SUBSIDIARY COMPANY

As on date, your Company has one subsidiary company - Aria Hotels and Consultancy Services Private Limited (Aria). ARIA's 523 rooms 5-Star deluxe hotel under the brand J. W. Marriott at New Delhi Aerocity, Hospitality District, Near IGI Airport, New Delhi, which commenced operations in October 2013 is fully operational. The hotel is being received well by the customers with better occupancy levels and it has made a mark through its unique food and beverage operations.

## DEBT

During April 2016, the Company has entered into facility arrangement with Yes Bank Limited (YBL) for its entire banking and borrowing facilities (except additional Term Loan facility from PTC against Solar plant). The Company was sanctioned borrowing facilities aggregating to Rs. 215 Crores from the YBL (Term Loan of Rs. 200 Crores, Overdraft Facility of Rs. 10 crores and Non-fund LC/ BG facility of Rs 5 Crores). The outstanding debt as on March 31, 2017 was Rs. 201.87 Crore.

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

# ASIAN HOTELS (WEST) LIMITED

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## DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the requirement of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, Mr. Sunil Vasant Diwakar, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 stating that they meet criteria of Independence as laid down in Section 149 (6) of the Companies Act, 2013.

## PARTICULARS OF EMPLOYEES & RELATED DISCLOSURE

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the **Annexure 2** forming part of the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure 3** forming part of the Annual Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis as required under regulation 34 of the Listing Regulations is annexed as **Annexure 4** herewith and forms a part of this report.

## CORPORATE GOVERNANCE

Your Company is committed to high standards of the corporate ethics, professionalism and transparency. More than half of the Board is composed of independent directors. Your Company is in compliance with the governance requirements provided under the Companies Act, 2013 and Listing Regulations. Your Company has in place all the Committees required under the applicable law.

As required by regulation 34 of the Listing Regulations with the Stock Exchanges, a Report on Corporate Governance for the Financial Year 2016-17, along with Practicing Company Secretary Certificate on Corporate Governance is annexed as **Annexure 5** herewith and forms a part of this report.

## COMPLIANCE UNDER COMPANIES ACT, 2013

Pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, your Company complied with the compliance requirements and the detail of compliances under Companies Act, 2013 are enumerated below:

- **Extract of Annual Return**

As per the provisions of section 92(3) of the Companies Act, 2013, an extract of the annual return in Form No MGT 9 of the Companies (Management and Administration) Rules, 2014 is annexed as **Annexure 6** herewith and forms a part of this report.

- **Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors, based on the representations received from the management confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- **Auditors & Auditors' Report**

M/s S. S. Kothari Mehta & Co., Chartered Accountants, were appointed in compliance with provisions of the Companies Act, 2013 read with the rules made thereunder in the 7th AGM of the Company for period of 3 years upto conclusion of 10th AGM of the Company.

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134 of the Companies Act, 2013.

The Board in its meeting dated 05th June, 2017 has appointed M/s S R Batliboi & Co, LLP, Chartered Accountants, subject to the approval of the shareholders of the Company, as Statutory Auditors of the Company, for a period of 5 years w.e.f conclusion of 10th AGM of the Company till the conclusion of 15th AGM of the Company.

# ASIAN HOTELS (WEST) LIMITED

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- **Internal Audit**

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

- **Secretarial Audit**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s PI & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2017. The Secretarial Audit Report (in Form MR-3) is annexed as **Annexure 7** hereto and forms a part of this report.

Further, there is no qualification, reservation or adverse remark or disclaimer in the Secretarial Audit Report and hence any explanation or comment is not required by the Board.

- **Particulars of Loan, Guarantees or Investment under section 186 of the Companies Act, 2013**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note No 42 to the financial statements.

- **Related Party Transactions**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All transactions entered by the Company with Related Parties were in ordinary course of business and at arm's length basis. The Audit Committee granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and Board of Directors.

There was one materially significant transaction with related parties during the Financial Year 2016-17 and none of the transactions with any of related parties were in conflict with the Company's interest.

Particulars of contracts/ arrangements with related parties as referred to in sub-section (1) of section 188 of the Companies Act, 2013 are given in Form AOC 2 and the same is annexed as **Annexure 8** hereto and forms a part of this report.

Suitable disclosure as required under AS-18 has been made in Notes to the Financial Statements.

- **Material Changes and commitments affecting the Financial Position of the Company which have occurred between March 31st, 2017 and June 5th, 2017 (date of report)**

A matter in relation to the exit option of the 'IL&FS Trust Company Limited', Mumbai and 'ILRF India Realty XVI Limited', Mauritius from M/s Aria Hotels and Consultancy Services Pvt. Ltd., (ARIA, Subsidiary of the Company) and conversion of Compulsorily Convertible Preference Shares held by them and the Company in ARIA is pending before the Arbitration Tribunal.

- **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo**

Information required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to the conservation of energy, technology absorption, foreign exchange earnings and outgo are to the extent possible is furnished in the **Annexure 9** hereto and forms a part of this report.

- **Risk Management Policy**

Pursuant to section 134 (3)(n) of the Companies Act, 2013 & regulation 17 of the Listing Regulations, the Company has constituted a Risk Management Committee.

As part of the risk assessment and minimization procedures, the Company had identified certain risk areas with regard to the operations of the Company and initiated steps, wherever possible, for risk minimization. The Company's Board is conscious of the need to review the risk assessment and minimization procedures on regular intervals. During the year under review the Company has not received any order passed by the regulators/ courts/ tribunals which impacted the going concern status and Company's operation in future.

- **Corporate Social Responsibility (CSR) Policy**

We believe that CSR means much more than merely responding to social responsibility. We understand the mutual interdependence between our business and the economic, social and human environment that surrounds us.

An essential component to the Company's Corporate Social Responsibility is to care for the community. The Company endeavors to make a positive contribution towards various social causes by supporting a wide range of socio-economic initiatives, engaging in socially responsible employee relations and making a commitment to the community around it.

During the year, the provisions of section 135(5) of Companies Act, 2013 doesn't apply on the Company. However, during the year the Company has spent Rs. 5 Lacs on CSR activities out of the un-spent amount of previous year's (amounting to Rs. 10.70 Lacs) as per the CSR policy of the Company. The residual amount shall be spent as per the CSR policy in FY 2017-18.

The Annual Report on CSR activities is annexed herewith as **Annexure 10**. The Company has disclosed its CSR policy at website of our Company. The link of the said policy is [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies).

- **Public Deposits**

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

# ASIAN HOTELS (WEST) LIMITED

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- **Internal Control System and their Adequacy**

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

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

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 22 of the Listing Regulations, the Company has established a vigil mechanism for its directors and employees to report their genuine concerns/ grievances. The mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provisions for direct access to the Audit Committee Chairman.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The details of the said mechanism are posted on the Company's website [www.asianhotelswest.com/policies](http://www.asianhotelswest.com/policies).

## **GREEN INITIATIVES**

Electronic copies of the Annual Report and notice of the 10th AGM are sent to all the members whose email address are registered with the Company /Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report and the notice of 10th AGM are sent in the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in Notice. The instructions for e-voting are provided in the Notice.

## **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has zero tolerance policy against sexual harassment defined as any unwelcome sexually determined behavior. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, the Company has constituted Internal Complaints Committees (ICC) for its registered office, New Delhi and for Hotel Hyatt Regency, Mumbai. Ms. Mandavi Sharma is the presiding officer for New Delhi office and Ms. Shilpi Sinha is the presiding officer for Hyatt Regency Mumbai.

During the Financial Year 2016-17, NIL complaints with allegations of any kind of sexual harassment were filed with the Company.

## **ACKNOWLEDGEMENT AND APPRECIATION**

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

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

Place : New Delhi  
Dated : June 5, 2017

**Sushil Kumar Gupta  
Chairman and Managing Director  
(DIN - 00006165)**

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 1 TO THE DIRECTORS' REPORT

### Form AOC-1

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

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. in Lacs)

S. No.	Particulars	Details
1.	Name of the subsidiary	Aria Hotel And Consultancy Services Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	11,833.53
5.	Reserves & surplus	(3,851.66)
6.	Total assets	83,778.19
7.	Total Liabilities	83,778.19
8.	Investments	NIL
9.	Turnover	23,085.68
10.	Loss before taxation	(2,929.78)
11.	Provision for taxation	NIL
12.	Loss after taxation	(2,929.78)
13.	Proposed Dividend	NIL
14.	% of shareholding	82.49%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : **None**
- Names of subsidiaries which have been liquidated or sold during the year : **None**

##### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures : Not Applicable.

# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 2 TO THE DIRECTORS' REPORT STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl No	Name of the employee	Designation of the employee	Remuneration received (in Rupees in Lacs)	Nature of employment, whether contractual or otherwise	qualifications and experience of the employee	date of commencement of employment	the age of such employee	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above and	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
<b>EMPLOYED THROUGHOUT THE YEAR</b>										
1.	Mr. Sushil Kumar Gupta	Chairman & Managing Director	138.54	upto 31st October, 2019 (Contractual- Liable to retire by Rotation)	F.S.C., CHA (54 years)	10.04.1981	73	N.A	3.61%	Father of Mr. Sandeep Gupta and Brother of Mr. Sudhir Chamanlal Gupta
2.	Mr. Sudhir Chamanlal Gupta	Executive (Whole-time) Director	119.09	Upto 9th May, 2020 (Contractual - Liable to retire by Rotation)	'Graduate from HKIS, Hong Kong' (34 years)	10.05.2010	58	N.A	1.87%	Brother of Mr. Sushil Kumar Gupta
3.	Mr. Sandeep Gupta	Executive (Whole-time) Director	118.70	Upto 9th May, 2020 (Contractual - Liable to retire by Rotation)	B.Com(Hons) SRCC, New Delhi, MBA from Notre Dame University, USA., Specializing in Finance & Marketing, PDP – Cornell University (26 years)	10.05.2010	48	N.A	3.47%	Son of Mr. Sushil Kumar Gupta
4.	Mr. Hardip Singh Marwah	General Manager, Hyatt Regency Mumbai	162.09	Permanent	Hotel Management Graduate and Experience of 17 Years	09.12.2015	43	EAM Room Grand Hyatt, Doha	Nil	N.A
<b>EMPLOYED PART OF THE YEAR</b>										
	NA									

**Note :** Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to provident fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax Rules, Performance incentive, Ex-gratia payments.



# ASIAN HOTELS (WEST) LIMITED

## ANNEXURE 3 TO THE DIRECTORS' REPORT

### DISCLOSURES PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- I) The ratio of the remuneration of each of the Executive Director to the Median remuneration of the employees of the Company for the financial year 2016-17; and
- II) The percentage increase in remuneration of each of the Executive Director, Chief Financial Officer, Company Secretary during the financial year 2016-17.

S. No.	Name of Director/KMP and Designation	The ratio of the remuneration of each Executive Director to the median remuneration of the employees.	The percentage increase in remuneration.
1	Mr. Sushil Kumar Gupta, Chairman & Managing Director	45.864:1	7.60%#
2.	Mr. Sudhir Chamanlal Gupta, Executive (Whole-Time) Director	39.425:1	8.15%#
3.	Mr. Sandeep Gupta, Executive (Whole-Time) Director	39.296:1	8.15%#
4.	Mr. Rakesh Kumar Aggarwal, (CFO)	NA	8.00%
5.	Mr. Vivek Jain (Company Secretary)	NA	8.00%

# As per the shareholders approval in the 7th AGM of the Company held on September 20, 2014.

The Non-Executive Directors of the Company are entitled for sitting fees as per the statutory provisions. The details of remuneration of non- Executive Directors are provided in the Corporate Governance Report and are not considered for the above purposes.

**III) The percentage increase in the median remuneration of employees in the financial year:**

The percentage increase in the median of employees in the financial year 2016-17 was 4.67%

**IV) The number of permanent employees on the rolls of the Company:**

The Number of permanent employees on the roll of the Company as on March 31, 2017 was 410.

**V) The explanation on the relationship between average increase in remuneration and Company performance:**

Increase in the remuneration of employees is in line with remuneration policy of the Company and was as per the Industry Standards, keeping Company performance in perspective while simultaneously driving a performance within.

**VI) Comparison of the remuneration of the Key Managerial Personnel (KMPs) against the performance of the Company:**

The remuneration of the KMPs are in line with the remuneration policy of the Company where their remuneration is determined based on their performance which is correlated to the performance of the Company. Further, the remuneration of the KMPs is as per industry standards also.

**VII) a) Variations in the market capitalisation of the Company:**

The Market Capitalization as on March 31, 2017 was 26010.35 Lacs (Rs. 13,486.42 Lacs as on March 31, 2016).

**b) Price earning ration as at the closing date of the current financial year and previous financial year:**

Price earnings ratio of the Company cannot be determined as at March 31, 2017 & March 31, 2016 as the Company has incurred losses in both the Financial Years.

**c) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Since the Company got listed pursuant to demerger of erstwhile Asian Hotels Limited (AHL) in the year 2010 after seeking approval from SEBI under Rule 19(2) (b) of Securities Contract (Regulations) Rules, 1957. The Company has not came out with any public offer till date.

**VIII) Average percentile increase 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 and justification thereof and points out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is approx 5 % and whereas the percentile increase in the managerial remuneration for the same period was approx 7.97% which was in terms of shareholders approval at the 7th AGM of the Company held on September 20, 2014.

**IX) Comparison of the each remuneration of the Key Managerial personnel against the performance of the Company:**

The remuneration of the Key Managerial personnel are in line with the remuneration policy of the Company where their remuneration is determined based on their performance which is correlated to the performance of the Company. Further, the remuneration of the KMPs are as per industry standards also.

**X) The key parameters for any variable component of remuneration availed by the directors:**

The variable component of remuneration availed by the Directors are considered by the board of Directors based on the recommendations of Nomination and remuneration Committee and approved by the Shareholders of the Company. However no variable component was paid by the Company to managerial personnel in the Financial Year 2016-17.

**XI) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

1:1.17

**XII) Affirmation that the remuneration is as per the Remuneration policy of the Company :**

Affirmed that the remuneration paid is as per the Remuneration policy of the Company for the Directors, Key Management Personnel and other Employees.