

# ASIAN HOTELS (NORTH) LIMITED

## 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 is about how an organization is managed. Further, timely and accurate disclosure of information regarding financial position, general state of affairs, ownership and governance of the company 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, as a 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 eight directors comprising four independent non-executive directors, two non-executive promoter directors, and two executive directors – one being the Chairman & Managing Director and the other a whole-time director designated as Executive Director Administration & Corporate Co-ordination.

At the 36<sup>th</sup> Annual General Meeting held during the year under review, the following resolutions were approved and adopted relating to directorships:

- Ms. Anita Thapar, who retired by rotation, was re-appointed as a director liable to retire by rotation;
- Mr. Amritesh Jatia, whose term as an Additional Director expired at the aforesaid meeting, was appointed as a director liable to retire by rotation;
- Mr. Ranjan Kishore Bhattacharya, who was appointed as an Additional Director in the capacity of an independent director and subject to the approval of the shareholders in the aforesaid meeting, was appointed as an independent director to hold office for a period of five consecutive years from 5<sup>th</sup> February, 2017 to 4<sup>th</sup> February, 2022; and
- Ms. Anita Thapar was re-appointed as a whole-time director, liable to retire by rotation, designated as Executive Director – Administration & Corporate Co-ordination from 28<sup>th</sup> May, 2018 to 31<sup>st</sup> March, 2021.

Accordingly, during the year under review, there has been no change in the composition of the Board of Directors. Further, the Board's constitution was in compliance with the provisions of the Companies Act, 2013 (the Act) and the Listing Regulations through-out the year under review.

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 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, five Board meetings were held respectively on 27<sup>th</sup> May, 2017, 10<sup>th</sup> August, 2017, 8<sup>th</sup> October, 2017, 6<sup>th</sup> November, 2017 and 31<sup>st</sup> January, 2018.

Pursuant to the provisions of Para C of Schedule V to the Listing Regulations, the relevant information including the composition of the Board, 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@	Category	Board meetings attended vis-à-vis meetings held during their respective tenure including the meeting in which appointed	Last AGM attended: 10 <sup>th</sup> August, 2017	No. of Directorships held in private companies ^	No. of Directorships held in public companies^	No. of Committee memberships in public companies ^ #	No. of Chairmanship in such Committees ^ #
1.	Mr. Shiv Kumar Jatia	Executive [Chairman & Managing Director] & Promoter Director	5 of 5	YES	13	3	4	1
2.	Dr. Lalit Bhasin	Independent Non-Executive Director	5 of 5	YES	0	10	6	4

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3.	Mr. Dinesh Chandra Kothari	Independent Non-Executive Director	1 of 5	NO	4	4	5	1
4.	Mr. Pinaki Misra	Independent Non – Executive Director	4 of 5	NO	4	3	1	0
5.	Mr. Ranjan Kishore Bhattacharya	Independent Non – Executive Director	5 of 5	YES	7	1	1	0
6.	Mr. Dipendra Bharat Goenka	Non – Executive & Promoter Director	1 of 5	NO	0	1	0	0
7.	Mr. Amritesh Jatia	Non – Executive & Promoter Director	3 of 5	NO	1	3	1	0
8.	Ms. Anita Thapar	Executive Director – Administration & Corporate Co-ordination	5 of 5	YES	3	5	1	0

@ Inter-se relationship of directors: Mr. Amritesh Jatia is son of Mr. Shiv Kumar Jatia.

^ Reflects status as per the latest declarations received from the directors for the FY 2018-19. Includes directorship/membership/chairmanship of the Board/Committees of Asian Hotels (North) Limited, and excludes foreign bodies corporate. Further, directorships in Section 8 companies have been ignored.

#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.

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 in any listed company is serving as an independent director in more than three listed companies.

## 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.

### 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 Mr. Ranjan Kishore Bhattacharya, Independent Non-executive Directors, and Mr. Shiv Kumar Jatia, Managing Director. During the year under review, there has been no change in the composition of the Audit Committee.

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 read with Regulation 18 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time, and that its business and meetings are conducted in terms of the above-referred provisions. The quorum requires presence of at least two members who are independent non-executive directors.

Dr. Bhasin, an eminent lawyer, is 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. Kothari is a Chartered Accountant and has rich experience in financial restructuring. Mr. Kothari is member of Audit Committee of some prominent listed companies. Mr. Ranjan Kishore Bhattacharya is a graduate in economics and holds a post graduate diploma in Hotel Management. Mr. Bhattacharya has vast experience in the hospitality industry. 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 listed companies.

The Company Secretary continues to act as secretary to the Committee.

During the year under review, four meetings of the Committee were held respectively on 27<sup>th</sup> May, 2017, 10<sup>th</sup> August, 2017, 6<sup>th</sup> November, 2017 and 31<sup>st</sup> January, 2018. The attendance of the member directors at the Audit Committee meetings is as under:

<i>Name of the Director</i>	<i>Category</i>	<i>No. of Meetings Attended</i>
Dr. Lalit Bhasin	Independent Non-Executive	4 of 4
Mr. Dinesh Chandra Kothari	Independent Non-Executive	1 of 4
Mr. Ranjan Kishore Bhattacharya	Independent Non-Executive	4 of 4
Mr. Shiv Kumar Jatia	Executive & Promoter Director	4 of 4

### b) Stakeholders' Relationship Committee:

The role, responsibilities, powers and terms of reference of the Stakeholders' Relationship Committee are 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 may be amended or re-stated from time to time.

At the commencement of the year under review, the Committee comprised of five members namely Mr. Dinesh Chandra Kothari,

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Mr. Pinaki Misra, Mr. Shiv Kumar Jatia, Mr. Amritesh Jatia and Ms. Anita Thapar. Mr. Dinesh Chandra Kothari continues to act as the chairman of the Committee. The Committee meets once every quarter and the quorum requires presence of at least two members, including an independent non-executive director. During the year under review, there has been no change in the composition of the Committee.

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. The Company received 40 complaints during the year, which were appropriately resolved and/or replied to. None of the investor complaints is lying unresolved or unattended at the year end.

Mr. Dinesh Kumar Jain, Vice President (Corporate Affairs) & Company Secretary is the Compliance Officer of the Company and acts as secretary to the Committee.

During the year under review, four meetings of the Committee were held respectively on 27<sup>th</sup> May, 2017, 10<sup>th</sup> August, 2017, 6<sup>th</sup> November, 2017 and 31<sup>st</sup> January, 2018.

The attendance of the member directors at the Stakeholders' Relationship Committee meetings is as under:

<i>Name of the Director</i>	<i>Category</i>	<i>No. of Meetings Attended</i>
Mr. Dinesh Chandra Kothari	Independent Non-Executive	1 of 4
Mr. Pinaki Misra	Independent Non-Executive	4 of 4
Mr. Shiv Kumar Jatia	Executive & Promoter Director	4 of 4
Mr. Amritesh Jatia	Non-executive & Promoter Director	3 of 4
Ms. Anita Thapar	Executive Director	4 of 4

## c) **Nomination and Remuneration Committee:**

The role, responsibilities, powers and terms of reference of the Nomination and Remuneration Committee are defined in, and in conformity with the provisions of Section 178 and other applicable provisions of the Act read with Regulation 19 and other applicable provisions of the Listing Regulations, as may be amended or re-stated from time to time.

At the commencement of the year under review, the Committee comprised of three independent non-executive directors, viz. Dr. Lalit Bhasin, as chairman of the Committee, and Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya as its members. Any two members form the quorum. The Company Secretary acts as the secretary to the Committee. During the year under review, there has been no change in the composition of the Committee.

During the year under review, two meetings of the Committee were held respectively on 27<sup>th</sup> May, 2017 and 10<sup>th</sup> August, 2017. The attendance of the member directors at the Nomination and Remuneration Committee meetings is as under:

<i>Name of the Director</i>	<i>Category</i>	<i>No. of Meetings Attended</i>
Dr. Lalit Bhasin	Independent Non-Executive	2 of 2
Mr. Dinesh Chandra Kothari	Independent Non-Executive	1 of 2
Mr. Ranjan Kishore Bhattacharya	Independent Non-Executive	2 of 2

The criteria for performance evaluation of the independent directors is detailed in the Nomination, Remuneration and Evaluation Policy of the Company which is adopted by the Board of Directors in due compliance of Section 178 of the Act read with rules framed there-under and relevant provisions of the Listing Regulations. The said policy is appended as Annexure 'J' to the Directors' Report.

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

At the commencement of the year under review, the CSR Committee, constituted under Section 135 of the Act, comprised Mr. Shiv Kumar Jatia, Managing Director, who chairs the Committee meetings, and Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Pinaki Misra, Independent Non-executive Directors. The role, 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.

The Company's CSR Policy covers all 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 monitors the progress of the designated projects and ensures that the funds allocated are appropriately utilized for the designated projects/activities.

The Committee has also formulated a CSR policy and the same has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelnorth.com/pdf/CorporateSocialResponsibilityPolicy.pdf>

During the year under review, only one meeting of the Committee was held on 27<sup>th</sup> May, 2017, which was attended by all the members except Mr. Pinaki Misra.

## **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

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on profit for a period of five years with effect from 1<sup>st</sup> April, 2014, 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. 5,00,000/- in respect of any financial year. 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. 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.

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 above, 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:

<b>REMUNERATION &amp; SITTING FEES (In Rs.)</b>				
<b>Name of Director</b>	<b>Salary &amp; Perks</b>	<b>Commission</b>	<b>Sitting Fees<sup>^</sup></b>	<b>Total</b>
Mr. Shiv Kumar Jatia*	1,99,62,964	0	0	1,99,62,964
Dr. Lalit Bhasin	0	0	6,80,000	6,80,000
Mr. Dinesh Chandra Kothari	0	0	2,00,000	2,00,000
Mr. Pinaki Misra	0	0	3,20,000	3,20,000
Mr. Ranjan Kishore Bhattacharya	0	0	4,80,000	4,80,000
Mr. Amritesh Jatia	0	0	0	0
Mr. Dipendra Bharat Goenka	0	0	0	0
Ms. Anita Thapar#	23,93,766	0	0	23,93,766
<b>Grand Total</b>	<b>2,23,56,730</b>	<b>0</b>	<b>16,80,000</b>	<b>2,40,36,730</b>

\*Current tenure is from 10<sup>th</sup> April, 2016 to 31<sup>st</sup> March, 2019; proposed to be re-appointed for another term of three years in the ensuing annual general meeting

# Current tenure is from 28<sup>th</sup> May, 2015 to 27<sup>th</sup> May, 2018; was re-appointed in the previous annual general meeting for another term beginning 28<sup>th</sup> May, 2018 to 31<sup>st</sup> March, 2021

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

## OTHER BOARD RELATED DISCLOSURES

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

During the year under review, an exclusive meeting of the independent directors was held on 27<sup>th</sup> May, 2017, 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; and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board. Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya attended 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 Familiarisation Programme has been uploaded on the website of the Company and can be accessed at

<http://www.asianhotelsnorth.com/pdf/PolicyonFamiliarisationProgrammeForIndependentDirectors.pdf>

During the year under review, a Familiarization Programme was conducted for the benefit of the independent directors on 27<sup>th</sup> May, 2017. The said Programme was attended by Dr. Lalit Bhasin, Mr. Dinesh Chandra Kothari and Mr. Ranjan Kishore Bhattacharya. The details of such Familiarisation Programmes have been uploaded on the website of the Company and can be accessed at

<http://www.asianhotelsnorth.com/pdf/Details%20of%20Familiarisation%20Programme%20Conducted.pdf>

As mandated, the Company has issued formal letters of appointment to its independent directors. General terms and conditions of appointment of independent directors are available on the website of the Company and can be accessed at

<http://www.asianhotelsnorth.com/pdf/TermsConditionsofAppointmentofIndependentDirectors.pdf>

### Shareholding of Non-Executive Directors

As on 31<sup>st</sup> March, 2018, none of the non-executive directors held any equity share in the Company.

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## GENERAL BODY MEETINGS

<i>Financial Year</i>	<i>Nature of Meeting</i>	<i>Venue</i>	<i>Date</i>	<i>Time</i>
2014-15	AGM*	Hotel Hyatt Regency Delhi, Bhikaiji Cama Place, M.G. Marg, New Delhi-110066	21.09.2015	11.30 a.m.
2015-16	AGM#	-do-	29.09.2016	11.30 a.m.
2016-17	AGM^	-do-	10.08.2017	11.30 a.m.

\* Following six businesses were placed before, and were approved by the shareholders as special resolutions, and none of these resolutions was required to be put through a postal ballot:

1. Adoption of a new set of Articles of Association of the Company;
2. Appointment of Ms. Anita Thapar (DIN: 02171074) as a whole-time director designated as Executive Director- Administration & Corporate Co-ordination for a term of three years;
3. Waiver of recovery of excess remuneration of a sum of Rs. 61,72,454/-, paid to the Managing Director for the financial year 2013-14;
4. Waiver of recovery of excess remuneration of a sum of Rs. 20,63,622/-, paid to the Managing Director for the financial year 2014-15;
5. Approval of payment of remuneration to the Managing Director for the financial year 2015-16 aggregating to Rs. 1,71,91,482/-; and
6. Re-appointment of Mr. Shiv Kumar Jatia (DIN: 00006187) as Managing Director of the Company from 10<sup>th</sup> April, 2016 to 31<sup>st</sup> March, 2019.

# A special resolution was placed before, and was approved by the shareholders, to adopt the re-stated Articles of Association in substitution of the existing Articles of Association of the Company. This resolution was not required to be put through a postal ballot.

^ A special resolution in pursuance of Section 186 of the Companies Act, 2013 was placed before, and was approved by the shareholders authorizing further investments by acquiring securities by way of subscription, purchase or otherwise, as and when required, up to a sum not exceeding Rs. 250 crore over and above the existing investments of the Company. This resolution was not required to be put through a postal ballot.

During the year under review, no special resolution was passed through postal ballot. However, the business proposed at Item No. 5 of the accompanying Notice is required to be dealt with through a postal ballot process but it is intended to be transacted at the ensuing annual general meeting as the Company is providing the facility of voting by electronic means which includes remote e-voting as well as instant electronic voting at that meeting in compliance of proviso to sub-section (1) of Section 110 of the Act.

## 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.

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 placed and taken note of by the Board of the Company.

## MATERIAL DISCLOSURES

### Code of Conduct

The Board of Directors of the Company has 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 has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/CodeofConduct.pdf> All concerned have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Chairman & Managing Director of the Company is annexed to this report.

### 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 other applicable provisions of the Act read with relevant regulations of the Listing Regulations. 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.

## **Related Party Transactions**

The Board of Directors of the Company has approved and adopted a 'Policy for Related Party Transactions' and the same has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/PolicyforRelatedPartyTransactions.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.

## **Policy for Determining Material Subsidiaries**

The Board of Directors of the Company has in place a 'Policy for Determining Material Subsidiaries' in pursuance of Regulation 16(1)(c) of the Listing Regulations. This Policy has been uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/PolicyforDeterminingMaterialSubsidiaries.pdf>

## **Legal Compliances**

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. In the opinion of your Directors, there has been no significant non-compliance by the Company during the last three years in general, more-so in terms of Para C(10)(b) and Para C(13) of Schedule V to the Listing Regulations.

## **Risk Assessment and Minimization Procedures**

The Company's Board is conscious of the need to periodically undertake the risk assessment, and minimization procedures there-for. During the year under review, the Board in its meeting held on 27<sup>th</sup> May, 2017, had approved and adopted a 'Risk Analysis Report as of 31<sup>st</sup> March, 2017' delineating the mitigating factors in respect of various risk factors identified therein and further noted that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

Subsequent to the year under review, the Board in its meeting held on 28<sup>th</sup> May, 2018, had approved and adopted a 'Risk Analysis Report as of 31<sup>st</sup> March, 2018' as well. The said report outlined the mitigating factors in respect of various risk factors identified therein. This enabled the Board to assess that the Company has adequate 'Risk Assessment and Minimization Procedures' in place, and that these are working effectively.

However, the provisions relating to the formation of a Risk Management Committee are not applicable to the Company.

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

The Board of Directors has in place a 'Whistle Blower Policy' wherein 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, 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. The 'Whistle Blower Policy' is uploaded on the website of the Company and can be accessed at <http://www.asianhotelsnorth.com/pdf/WhistleBlowerPolicy.pdf>

## **Code on Insider Trading/Fair Disclosures**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors has approved and adopted a code of conduct for prohibition of insider trading, namely 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders'. The said Code inter-alia prohibits dealing in securities of the Company by specified 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. The Company Secretary monitors the implementation and compliance of the same.

'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', 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/CodeofFairDisclosure.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.

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## Disclosure on Foreign Exchange Risk/Hedging Activities

Details of derivative contract entered with DBS Bank Limited and Yes Bank Limited prior to the commencement of the year under review in respect of the External Commercial Borrowings availed by the Company from DBS Bank Limited but effective for and covering the financial year 2017-18 are as under:

Name of the Bank with which the contract is entered	Nature of Contract	Particulars	Currency	Contract value as on 01.04.2017/ Contract date	Outstanding contract value as on 31.03.2018
DBS Bank Limited	LIBOR Fixed	USD Interest Rate Swap	USD	4350000	0
Yes Bank Limited	LIBOR Fixed	USD Interest Rate Swap	USD	10000000	0
Yes Bank Limited	LIBOR Fixed	USD Interest Rate Swap	USD	10000000	0

However, there was no derivative contract to buy USD either at the beginning of the year or during the year or as at the end of the year.

Details of un-hedged foreign currency exposure of the Company are detailed under Note 40 to the Stand-alone Financial Statements.

## CEO/CFO Certification

A certificate, in accordance with the requirements of Regulation 17(8) read with Part B of Schedule II to the Listing Regulations, duly signed by the Chairman & Managing Director and Vice President – Corporate Finance (being the Chief Financial Officer), in respect of the financial statements for the year under review was placed before the Board and was taken on record.

## SHAREHOLDERS' INFORMATION

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

Detailed profile of Directors seeking appointment/re-appointment in compliance with Regulation 36(3) of the Listing Regulations is given on page no. 9, as part of Notice convening the forthcoming annual general meeting and the accompanying Statement under Section 102 of the Act.

### Means of Communication

Presently, the quarterly 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 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: Tuesday, the 31<sup>st</sup> July, 2018 at 11:30 a.m.

Venue: Regency Ball Room  
Hyatt Regency Delhi  
Bhikaji Cama Place, M.G. Marg  
New Delhi – 110 066

### Financial Year/Calendar

The Company follows 1<sup>st</sup> April to 31<sup>st</sup> March as its financial year.

The calendar for the current financial year 2018-19 is proposed as under:

Financial Reporting for the quarter ending 30 <sup>th</sup> June, 2018	On 31 <sup>st</sup> July, 2018
Financial Reporting for the half year ending 30 <sup>th</sup> September, 2018	On or before 14 <sup>th</sup> November, 2018
Financial Reporting for the third quarter ending 31 <sup>st</sup> December, 2018	On or before 14 <sup>th</sup> February, 2019
Financial Reporting for the year ending 31 <sup>st</sup> March, 2019	On or before 30 <sup>th</sup> May, 2019

<b>Book Closure</b>	<b>From Saturday, the 28<sup>th</sup> July, 2018 to Tuesday, the 31<sup>st</sup> July, 2018 (inclusive of both days)</b>
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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

# ASIAN HOTELS (NORTH) LIMITED

## The National Stock Exchange of India Limited

Exchange Plaza, 5<sup>th</sup> 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 - 233/ASIANHOTNR

### International Securities Identification Number

#### (ISIN) for Equity shares

INE 363A01022

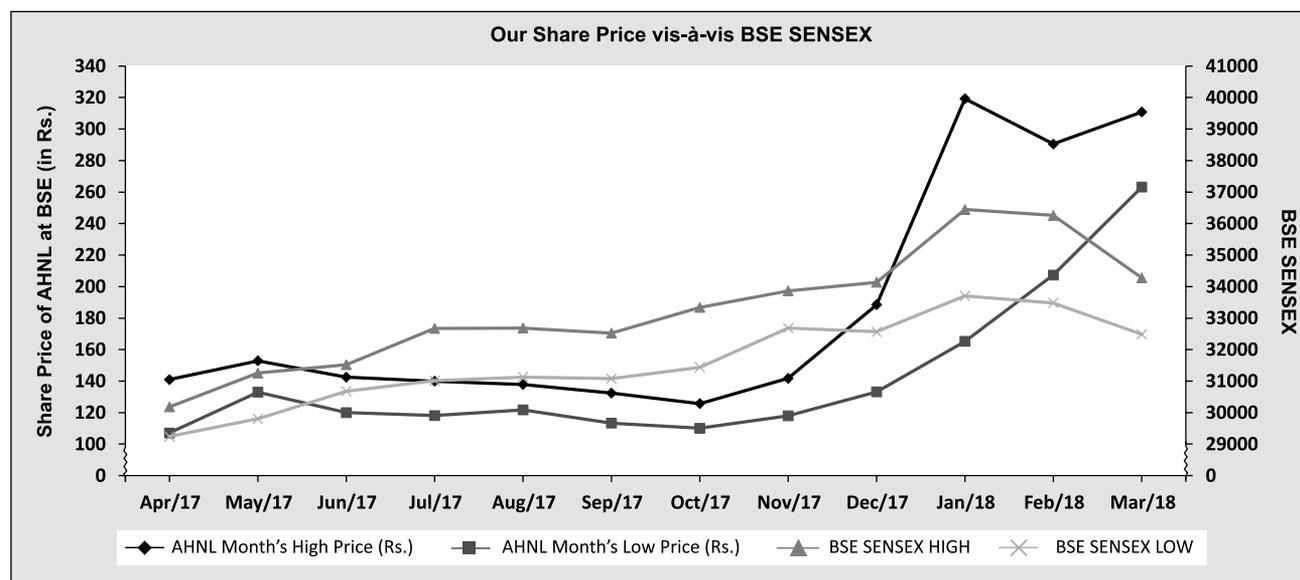
### Stock Market Data

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:

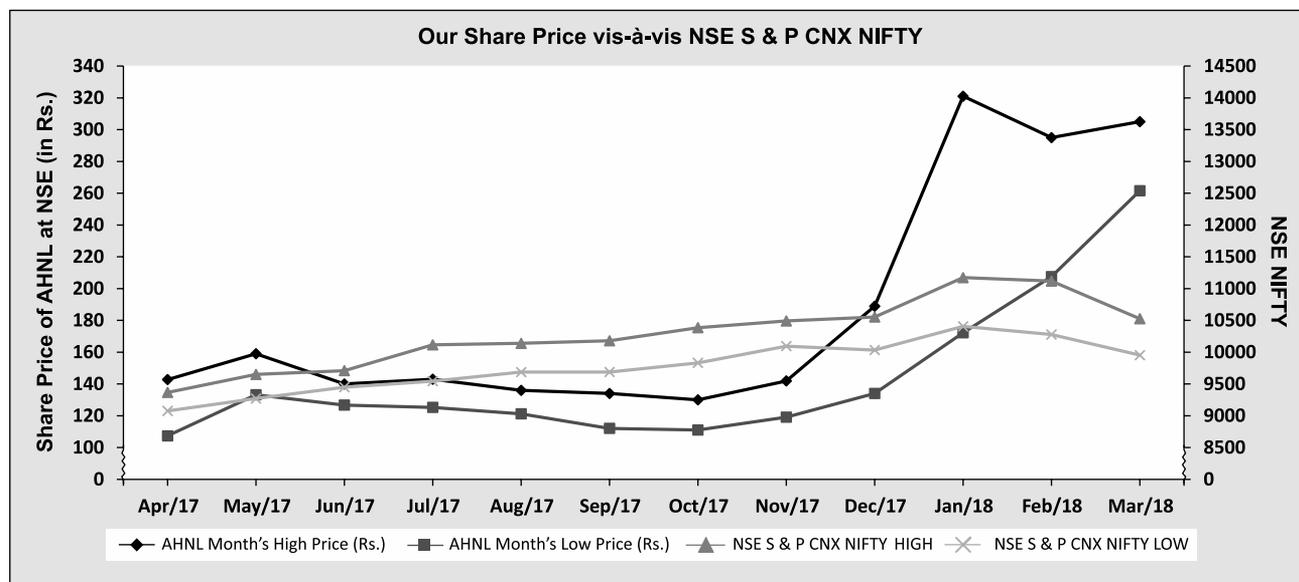
Month	BSE Limited			The National Stock Exchange of India Limited		
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)	Month's High Price (Rs.)	Month's Low Price (Rs.)	Volume (In Nos.)
Apr 2017	140.95	107.05	48877	142.75	107.30	178147
May 2017	152.90	133.00	33285	159.00	133.20	99388
Jun 2017	142.50	120.00	8957	139.95	126.70	30003
Jul 2017	140.00	118.10	16053	142.95	125.25	51293
Aug 2017	137.90	121.75	8400	135.95	121.20	49298
Sep 2017	132.40	113.35	38814	134.00	112.05	81991
Oct 2017	125.75	110.05	29143	130.00	111.00	118018
Nov 2017	141.75	118.00	56782	141.90	119.10	314589
Dec 2017	188.50	133.20	91133	188.90	134.00	443557
Jan 2018	319.30	165.25	242093	321.00	172.20	1297638
Feb 2018	290.50	207.30	48208	294.95	207.50	375859
Mar 2018	310.85	263.20	32365	305.00	261.55	82537

Source: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)

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



# ASIAN HOTELS (NORTH) LIMITED



## Distribution of shareholders

Number of equity shares held	As on 31 <sup>st</sup> March, 2018				As on 31 <sup>st</sup> March, 2017			
	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	12301	96.24	693073	3.56	13940	96.12	808549	4.16
501 – 1000	245	1.92	177624	0.91	302	2.08	220160	1.13
1001 – 2000	97	0.76	137562	0.71	110	0.76	157508	0.81
2001 – 3000	38	0.30	96714	0.50	40	0.28	101365	0.52
3001 – 4000	19	0.15	66018	0.34	21	0.14	74992	0.39
4001 – 5000	6	0.05	27709	0.14	13	0.09	60438	0.31
5001 – 10000	26	0.20	206971	1.06	18	0.12	130934	0.67
10001 – above	50	0.39	18047558	92.77	58	0.40	17899283	92.01
<b>TOTAL</b>	<b>12782</b>	<b>100.00</b>	<b>19453229</b>	<b>100.00</b>	<b>14502</b>	<b>100.00</b>	<b>19453229</b>	<b>100.00</b>

## Category wise shareholding

CATEGORY	As on 31 <sup>st</sup> March, 2018		As on 31 <sup>st</sup> March, 2017	
	No. of shares held	% of shareholding	No. of shares held	% of shareholding
<b>A. Promoters Shareholding</b>				
- Indian	4270691	21.95	4270691	21.95
- Foreign	9830025	50.53	9830025	50.53
<b>Total Promoters shareholding</b>	<b>14100716</b>	<b>72.49</b>	<b>14100716</b>	<b>72.49</b>
<b>B. Public Shareholding</b>				
- Mutual Funds/Financial Institutions/Banks and Insurance Companies	40287	0.21	32342	0.17
- Fills	9469	0.05	2919	0.01
- NRIs	1106474	5.69	1110499	5.71
- Bodies Corporate (Domestic)	666108	3.42	780695	4.01
- Bodies Corporate (Foreign)	690802	3.55	690802	3.55
- Individuals (Indian Public)	2732482	14.05	2665083	13.70
- Clearing Members	2847	0.01	4778	0.02
Investor Education and Protection Fund	77911	0.40	-	-
Shares in Unclaimed Suspense A/c #	26133	0.13	65395	0.34
<b>Total Public shareholding</b>	<b>5352513</b>	<b>27.51</b>	<b>5352513</b>	<b>27.51</b>
<b>GRAND TOTAL*</b>	<b>19453229</b>	<b>100.00</b>	<b>19453229</b>	<b>100.00</b>

#In terms of Clause 5A of the erstwhile Listing Agreement.

\*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

To expedite the transfer of shares in physical form, authority has been delegated at two levels:

- i) Stakeholders' Relationship Committee comprising of Directors; and
- ii) Executive Share Transfer Committee comprising of executives of the Company.

The transfer of shares received in physical form is given effect to on a weekly basis to ensure compliance with the Listing Regulations.

## Share Transfer Agent

Karvy Computershare Pvt. Ltd.  
Karvy Selenium Tower B  
Plot Number 31 & 32  
Financial District, Nanakramguda  
Serilingampally Mandal  
Hyderabad – 500 032  
Tel: 91 40 67162222; Fax: 91 40 23001153  
[www.karvycomputershare.com](http://www.karvycomputershare.com)  
e-mail : [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

## Dematerialization of Shares/liquidity

19214576 shares (equivalent to 98.77%) of the total outstanding shares of the Company are held in dematerialized form as on 31<sup>st</sup> March, 2018. 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 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 years 2008-09 and 2009-10, unpaid/unclaimed sale proceeds of fractional shares arising out of issue of fresh shares under the 'Scheme of Arrangement and Demerger' disbursed on 29<sup>th</sup> October, 2010 and unpaid/unclaimed redemption amount of preference shares arising out of the conversion of Fully Convertible Preference Shares into Equity Shares of the Company, effected on 26<sup>th</sup> December, 2010, were 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. Accordingly, 77911 equity shares of the Company in respect of which dividend for all the relevant financial period/years ended 31<sup>st</sup> March, 2010, 31<sup>st</sup> March, 2011, 31<sup>st</sup> March, 2012, 31<sup>st</sup> March, 2013 and 31<sup>st</sup> March, 2014 remained unpaid/unclaimed consecutively for a period of seven years up-to 28<sup>th</sup> October, 2017, were transferred to IEPF 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 (the IEPF Rules).

**Attention of the members is therefore drawn to the fact that unpaid/unclaimed dividend pertaining to the financial year ended 31<sup>st</sup> March, 2011 is due for transfer to the IEPF, and therefore, any claim in respect thereof should be lodged as advised below:**

Unpaid/Unclaimed Amount	Due date for transfer to IEPF	Date by which claim should be lodged
Dividend for the financial year ended 31 <sup>st</sup> March, 2011	22.10.2018	08.10.2018

Shareholders are advised to write to the Company or to the Registrar & Transfer Agent requesting for fresh warrants by providing details of their Folio No./Client ID, No. of shares held by them etc. enclosing a signed cancelled cheque, self attested copy of PAN and proof of address.

**Further, the members' attention is also drawn that shares in respect of which dividend remains unpaid/unclaimed for all the respective financial years ended 31<sup>st</sup> March, 2011, 31<sup>st</sup> March, 2012, 31<sup>st</sup> March, 2013 and 31<sup>st</sup> March, 2014 consecutively up to 22<sup>nd</sup> October, 2018, shall also be liable for transfer to IEPF, in accordance with the aforesaid provisions.**

# ASIAN HOTELS (NORTH) LIMITED

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## 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.

## 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](mailto:investorrelations@ahlnorth.com)

**Adoption of Non-Mandatory Requirements as specified in sub-regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations**

The Company has so far not implemented any non-mandatory requirement as specified in sub regulation 1 of Regulation 27 read with Part E of Schedule II to the Listing Regulations.

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## ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

Date: 28<sup>th</sup> May, 2018

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 31<sup>st</sup> March, 2018.

**SHIV KUMAR JATIA**  
CHAIRMAN & MANAGING DIRECTOR  
DIN 00006187