

ASIAN HOTELS (EAST) LIMITED

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

Phone : 033 2335 1234/2517 1012 Fax : 033 2335 8246/2335 1235 www.ahleast.com

CIN: L15122WB2007PLC162762

11th February, 2017

The Manager
Listing Department
BSE Limited
PhirozJeejeebhoy Towers,
Dalal Street, Mumbai- 400001
Tel: (022 2272 8013)
Fax: (022 2272 3121)

Type of Security: Equity shares
Scrip Code : 533227

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza
Plot No. C/1, G Block,
Bandra – Kurla Complex
Bandra (E), Mumbai – 400 051
Tel: (022) 2659 8235/36
Fax: (022) 2659 8237/38

Type of Security: Equity shares
NSE Symbol : AHLEAST

Dear Madam/ Sir,

Sub: Details under Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref: Scheme of Arrangement.

This is further to our letter dated 10th February, 2017 informing you that the Board of Directors of the Company at its meeting held on 10th February, 2017, after considering the report of the Audit Committee of the Company, has considered and approved the draft Scheme.

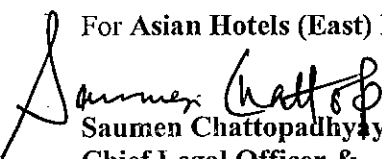
In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015, the details are given in Annexure A & B to this letter.

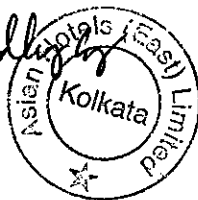
This is for your information and record.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited


Saumen Chattopadhyay
Chief Legal Officer &
Company Secretary



Encl: As above

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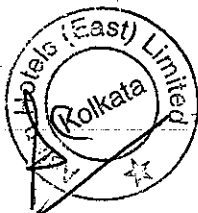
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Annexure A

1. Demerger

- a) Division to be demerged: The investment division ("Demerged Undertaking") of GJS Hotels Limited ("GJSHL"), a wholly owned subsidiary of Asian Hotels (East) Limited ("AHEL"), is to be demerged to AHEL.
- b) Turnover: The turnover of the Demerged Undertaking was Rs. 20,50,000/- as on 31st March, 2016. As % to the total turnover of the listed entity (AHEL) as on 31st March, 2016 = 0.19% (approx)
- c) Rationale: All Equity Shares, Preference Shares and Debentures in Robust Hotels Private Limited ("RHPL") held by GJSHL will stand transferred to AHEL under the Scheme. Consequent to the Scheme, RHPL will become a direct wholly owned (100%) subsidiary of AHEL. Further, such Shares and Debentures of RHPL will also stand reorganised pursuant to the Scheme. The advantages of the Demerger are, *inter alia*, as under:-
 - i. The demerger will simplify and rationalize the holding and financial structure of the entities involved, which would help in pursuing their business more beneficially.
 - ii. The investment function of holding and monitoring investments in shares and securities of other bodies corporate is already undertaken by AHEL on a much larger scale. As such the total investment in RHPL will be held and monitored as part of the investment portfolio of AHEL more efficiently and advantageously. The same will also enable GJSHL to pursue operating business with greater focus and attention.
- d) Shareholding pattern: Since all the Equity Shares of GJS Hotels Limited are held by Asian Hotels (East) Limited itself and Asian Hotels (East) Limited cannot issue any shares to itself, no shares shall be issued by Asian Hotels (East) Limited in consideration of the demerger. Hence there will be no change in the shareholding pattern of GJSHL or AHEL.
- e) Consideration: There is no cash consideration for the demerger. Further since AHEL is the only shareholder of GJSHL and cannot issue any shares to itself there is no issue of shares in consideration of the demerger and no share exchange ratio.
- f) No Listing required: Since AHEL is already listed in BSE Limited and National Stock Exchange of India Limited and no shares would be issued by GJSHL under the Scheme no further listing would be sought.
- g) Reduction of Share Capital of GJSHL: The difference between assets and liabilities of the demerged undertaking will be adjusted, *inter alia*, against the Equity Share Capital of GJSHL by cancelling 38,21,297 Equity Shares of Rs. 10/- each. Consequently, GJSHL will have a post Scheme equity share capital of Rs.7,13,97,030 divided into 71,39,703 Equity Shares of Rs. 10/- each.



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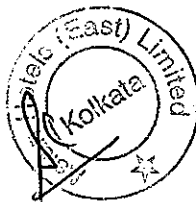
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Annexure B

2. Reorganisation of Share Capital and Debentures of RHPL

- a) Under the Scheme, the entire paid up amount on 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each issued by RHPL shall stand appropriated towards 3,20,35,000 Equity Shares of Rs.10/- each, credited as fully paid up, at a premium of Rs. 10/- per share.
- b) Further, 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL shall stand appropriated towards 3,79,75,000 Equity Shares of Rs.10/- each, credited as fully paid up, at a premium of Rs.10/- per share with effect from the Appointed Date.
- c) The preference shares and debentures of RHPL shall stand converted into equity shares accordingly. Consequently RHPL will have a total share capital of 16,39,52,769 of Rs.10/- each which will be all held by AHEL.
- d) RHPL had total assets of Rs. 6,80,17,36,701 and total liabilities (excluding shareholder's fund) of Rs. 3,92,51,31,515 and turnover of Rs. 95,06,95,389 as per its latest annual accounts as on 31st March, 2016.
- e) The reorganisation of share capital and debentures as aforesaid will have *inter alia*, the following advantages:-
 - i. The reorganisation and conversion of the Preference Share Capital and Debentures of RHPL into Equity Share Capital in terms of the Scheme will suitably simplify and rationalise the financial structure of RHPL. The same will also enable RHPL to improve its performance with better operating parameters, including a more appropriate debt equity ratio.
 - ii. As such, the Scheme will suitably realign and adjust the relationship between the capital and assets of the respective Companies and enable them to pursue their business more conveniently and advantageously.
- f) As a result of the Scheme, RHPL will become a wholly-owned (100%) subsidiary of AHEL instead of GJSHL as stated above. Hence there will be no change in control as such.
- g) As such there is no benefit to the promoter/ promoter group from the Scheme except in their capacity as shareholders of AHEL in general with other shareholders.



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