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

20th January, 2018

The Manager **Listing Department** **BSE Limited** **Phiroze Jeejeebhoy 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**

Madam/ Sir,

Ref: Scheme of Arrangement between GJS Hotels Limited (GJSHL), Asian Hotels (East) Limited (AHEL), Robust Hotels Private Limited (RHPL) and their respective shareholders under Sections 230-232 of the Companies Act, 2013 ("the Scheme")

Sub: Notices of the National Company Law Tribunal ("NCLT") Convened Meetings of the Company

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notices convening meetings of the equity shareholders and unsecured creditors of the Company pursuant to the NCLT, Kolkata Bench order dated 21st December, 2017 as modified by an order dated 4th January, 2018 for approval of the Scheme by the equity shareholders and unsecured creditors of the Company.

The above notices are available on the website of the Company www.ahleast.com.

We request you to kindly take this on record.

Thanking You.

Yours truly,
For **Asian Hotels (East) Limited**

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

Asian Hotels (East) Limited Kolkata

Encl. as above

OWNER OF
HYATT REGENCY™
KOLKATA

ASIAN HOTELS (EAST) LIMITED

Registered Office: Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098
Tel: (033) 25171009 Fax: (033) -23358246
Email: investorrelations@ahleast.com Website: www.ahleast.com
CIN: L15122WB2007PLC162762

NOTICE

MEETING OF EQUITY SHAREHOLDERS

(CONVENED PURSUANT TO THE ORDER DATED 21ST DECEMBER, 2017 AS MODIFIED BY AN ORDER DATED 4TH JANUARY, 2018, OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH)

Day	Wednesday
Date	21st February, 2018
Time	11:00 AM
Venue	Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098

POSTAL BALLOT AND REMOTE E-VOTING	
Start Date and Time	22nd January, 2018 at 9:00 a.m.
End Date and Time	20th February, 2018 at 5:00 p.m.

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Before the National Company Law Tribunal

Kolkata Bench

Company Application No.516 of 2017

In the Matter of the Companies Act, 2013 - Section 230(1) read with Section 232(1)

And

In the Matter of :

GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN U55101WB2002PLC160608; PAN AACCG7683A)

And

Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN L15122WB2007PLC162762; PAN AACCV4634N)

1. GJS Hotels Limited

2. Asian Hotels (East) Limited

. . . . . Applicants

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS

To,
The Equity Shareholders of
Asian Hotels (East) Limited

NOTICE is hereby given that by an order dated 21st December, 2017 as modified by an order dated 4th January, 2018, the Hon'ble National Company Law Tribunal, Kolkata Bench ("**Tribunal**") has directed a meeting , inter alia, of the Equity Shareholders of Asian Hotels (East) Limited, the Applicant No.2 above named ("**AHEL**"), to be held for the purpose of their considering, and if thought fit, approving, with or without modification, the proposed Scheme of Arrangement between GJS Hotels Limited, being the Applicant Company No.1 above named (hereinafter referred to as "**GJSHL**"), the said AHEL, the Applicant Company No.2 above named and Robust Hotels Private Limited (hereinafter referred to as "**RHPL**") and their respective shareholders ("Scheme").

In pursuance of the said order and as directed therein, **further notice** is hereby given that a meeting of the Equity Shareholders of AHEL will be held at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 on Wednesday, the 21st day of February, 2018 at 11:00 AM to consider, and if thought fit, to pass the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) read with Section 232(1) of the Companies Act, 2013:-

*"**RESOLVED THAT** pursuant to Section 230 of the Companies Act, 2013, the Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited, and their respective shareholders presented in Company Application (CAA) No.516/KB/2017 filed jointly by GJS Hotels Limited and Asian Hotels (East) Limited before the Hon'ble National Company Law Tribunal, Kolkata Bench ("Tribunal"), be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board of Directors of Asian Hotels (East) Limited (hereinafter referred to as the "Board" which term shall be deemed to mean and include one or more Committee(s) constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal or its appellate authority(ies) / while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme of Arrangement, as the Board may deem fit and proper."*

TAKE FURTHER NOTICE that in terms of the said order of the Hon'ble Tribunal, you shall have the facility and option of voting on the resolution for approval of the Scheme by casting your votes in person or by proxy at the venue of the meeting on 21st February, 2018 or by postal ballot / remote electronic voting ("remote e-voting") during the period commencing from 9:00 a.m. on 22nd January, 2018 and ending at 5:00 p.m. on 20th February, 2018. Kindly refer to Notes below for further details on the voting procedure.

Take note that you may opt to exercise your votes only in one mode, i.e, by (a) postal ballot, (b) remote e-voting or (c) by poll at the venue of the meeting. In case you cast your votes by both, postal ballot and remote e-voting, then voting done through remote e-voting shall prevail and voting done by postal ballot will be treated as invalid. Further, if you cast your votes by postal ballot and/or remote e-voting, as aforesaid, you will not be entitled to vote again by poll at the venue of the meeting, whether in person or by proxy. If you do so, the votes so cast by you at the venue of the meeting shall be treated as invalid.

It is however clarified that shareholders casting their votes by postal ballot or remote e-voting, as aforesaid, shall nevertheless be entitled to attend the meeting and participate in the discussions in the meeting but shall not be entitled to vote again at the meeting. At the venue of the meeting the votes shall be taken only physically by ballot papers. Facility for postal ballot or e-voting shall not be available at the venue of the meeting.

The business of the meeting shall be transacted and the result thereof ascertained accordingly. The aforesaid resolution for approval of the Scheme shall, if passed by a majority in number representing three-fourths in value of all Equity Shareholders of AHEL casting their votes, as aforesaid, shall be deemed to have been duly passed on the date of the said meeting (i.e. 21st February, 2018) of the Equity Shareholders of AHEL under Section 230(1) read with Section 232(1) of the Companies Act, 2013. However, the Scheme shall be acted upon only if the votes cast by public shareholders in favour of the resolution set out above are more than the number of votes cast by the public shareholders against the resolution.

Votes may be cast, as aforesaid, at the venue of the meeting by you personally or by proxy provided that in the latter case, a proxy in the prescribed form, duly signed by you, is deposited at the registered office of AHEL, not later than 48 (forty eight) hours before the time for holding the meeting. In case of a Body Corporate, being an Equity Shareholder of AHEL, opting to attend and vote at the venue of the meeting, as aforesaid, through its authorised representative, such Body Corporate may do so provided a certified copy of the resolution of its Board of Directors or other governing body authorising such representative to attend and vote at the meeting on its behalf is deposited at the registered office of AHEL not later than 48 (forty eight) hours before the time for holding the meeting.

The Hon'ble Tribunal has appointed Mr. Ravi S. Asopa, Advocate to be the Chairperson of the said meeting of the Equity Shareholders of AHEL and Mr. Siddhartha Murarka, Practising Company Secretary, to be the Scrutinizer for the said meeting.

A copy each of the said Scheme of Arrangement; form of proxy, attendance slip, the Explanatory Statement under Section 230(3) read with Section 232(2) of the Companies Act, 2013 along with all annexures to such statement, Postal Ballot Form and postage pre-paid self-addressed envelope are enclosed herewith. A copy of this notice and the accompanying documents are also placed on the website of AHEL viz.www.ahleast.com.

Shareholders opting to cast their votes by postal ballot/ remote e-voting are requested to read the instructions in the notes below carefully. In case of voting by postal ballot, the Postal Ballot Form duly completed should be returned by the shareholders in the enclosed self-addressed, postage pre-paid envelope so as to reach the Scrutinizer on or before 5:00 p.m. on 20th February, 2018. In case of remote e-voting, the votes should be cast in the manner described in the instructions by 5:00 p.m. on 20th February, 2018. Responses received after the said times will be treated as invalid.

This notice is being dispatched to all Equity Shareholders of AHEL whose names appear in the Register of Members of AHEL as on 15th January, 2018 being the **Relevant Date**/cut-off date fixed by the Hon'ble Tribunal and the said shareholders shall be entitled to cast their votes as per the mode chosen by them during the respective voting period for such mode, as specified above. However, the votes cast by the shareholders shall be reckoned and scrutinized for all modes with reference to the Register of Members as on the Relevant Date.

In terms of the said order of the Hon'ble Tribunal, the Scrutinizer shall submit his report on the voting to the Chairperson within 3 days of the conclusion of the meeting and the Chairperson shall declare the results of the meeting after submission of such report to him. The results shall be announced by the Chairperson accordingly on or before 24th February 2018 upon receipt of Scrutinizer's reports and the same shall be displayed on the website of the Applicant Company No.2 (https://www.ahleast.com) and on the website of Karvy Computershare Private Limited ('Karvy") (https://evoting.karvy.com), being the agency appointed by AHEL to provide the e-voting facility to the shareholders, as aforesaid. The said results shall also be published in The Business Standard (English Newspaper) and Ek Din (Bengali Newspaper).

The abovementioned Scheme of Arrangement, if approved at the aforesaid meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

Sd/-

Dated this 16th day of January, 2018.

Ravi S. Asopa
Chairperson appointed for the Meeting

Drawn on behalf of Applicants by

Sd/-

(Aniket Agarwal)
Advocate for the Applicants
Khaitan & Co, Advocates
1B, Old Post Office Street
Kolkata 700 001

Notes for meeting of Equity Shareholders of AHEL

1) Only registered Equity Shareholders of AHEL may attend (either in person or by proxy or by authorised representative) at the said meeting of the Equity Shareholders of AHEL ("**Meeting**"). The authorised representative of a body corporate which is a registered Equity Shareholder of AHEL may attend the Meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting is deposited at the Registered Office of AHEL not later than 48 hours before the scheduled time of the commencement of the Meeting.

2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF AHEL**. The Form of Proxy duly completed should, however, be deposited at the Registered Office of AHEL not later than 48 hours before the scheduled time of the commencement of the Meeting. All alterations made in the form of Proxy should be initialled.

3) A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in aggregate not more than 10% of the total share capital of AHEL carrying voting rights. A Member holding more than 10% of the total share capital of AHEL carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

4) It is further clarified that the Proxies can only vote at the venue of the Meeting and not through any other mode.

5) A registered Equity Shareholder or his Proxy or authorised representative is requested to bring copy of the notice to the Meeting and produce at the entrance of the Meeting venue, the attendance slip duly completed and signed.

6) Members are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons. The Meeting is for members or their proxies only. Please avoid being accompanied by non-member/children.

7) Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of AHEL/ list of beneficial owners as received from National Securities Depository Limited ("NSDL") /Central Depository Services (India) Limited ("CDSL") (collectively referred to as "Depositories") in respect of such joint holding will be entitled to vote.

8) This Notice of the Tribunal convened Meeting of Equity Shareholders of AHEL is also displayed / posted on the website of AHEL at www.ahleast.com and on the website of Karvy https://evoting.karvy.com.

9) In compliance with the said order dated 21st December, 2017 as modified by an order dated 4th January, 2018 of the Hon'ble Tribunal and the provisions of Section 230(4) read with Section 108 and 110 of the Companies Act, 2013 and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, AHEL has provided the facility to the Equity Shareholders to cast their votes either by way of postal ballot or through remote e-voting, prior to the Meeting or by way of poll at the Meeting.

10) Voting rights shall be reckoned on the paid-up value of the shares registered in the names of Equity Shareholders as on 15th January, 2018, being the cut off date fixed in this regard by the Hon'ble Tribunal ("**the Relevant Date**").

11) The respective voting period for the respective mode of voting is as follows:-

	Manner of voting	Commencement of voting	End of Voting
A.	Postal Ballot	9:00 a.m 22nd January 2018	5:00 p.m. 20th February 2018
B.	E-voting	9:00 a.m 22nd January 2018	5:00 p.m. 20th February 2018
C.	Poll at Venue of meeting	21st February, 2018 (upon poll being announced by Chairperson)	21st February, 2018 (till poll is open)

12) The Equity Shareholder(s) can opt for only one mode of voting. If the Equity Shareholders cast their votes by both, postal ballot and remote e-voting, then voting done through remote e-voting shall prevail and voting done by postal ballot will be treated as invalid. Further, Equity Shareholders who have cast their votes by postal ballot and/or remote e-voting, as aforesaid, will not be entitled to vote again by poll at the venue of the meeting, whether in person or by proxy. If they do so, the votes so cast by them at the venue of the meeting shall be treated as invalid.

13) It is clarified that casting of votes by postal ballot / remote e-voting does not disentitle the shareholders from attending the Meeting. However, the Equity Shareholder, after exercising his/her right to vote through postal ballot / remote e-voting, shall not be allowed to vote again at the Meeting.

14) A postal ballot form along with postage prepaid self-addressed envelope is also enclosed.

15) Members are requested to carefully read the instructions printed overleaf on the postal ballot form and return the form duly completed with assent (for) or dissent (against), in the enclosed postage prepaid self-addressed envelope, so as to reach the Scrutinizer on or before 20th February, 2018 at 5:00 p.m. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Equity Shareholder will also be accepted. However Postal Ballot Form(s), received after the aforesaid time shall be considered as invalid.

16) In case an Equity Shareholder is desirous of obtaining a printed duplicate postal ballot form, he or she may send request by letter at the registered office of AHEL or send e-mail from their registered email id to investorrelations@ahleast.com or suresh.d@karvy.com or write to Mr. Suresh Babu D, Deputy Manager – RIS, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 . The said Registrar and Share Transfer Agents / Company shall forward the same along with postage prepaid self-addressed envelope to the Member.

17) Mr. Siddhartha Murarka, Practising Company Secretary (FCS - 7527) has been appointed by the Tribunal, as the Scrutinizer to scrutinize the voting by postal ballot, remote e-voting and poll process.

18) The Scrutinizer will submit his consolidated report to the Chairperson of the Meeting upon scrutiny of voting by the Equity Shareholders through postal ballot, remote e-voting and poll at the venue of the meeting within 3 days of the conclusion of the meeting and the Chairperson shall declare the results of the meeting after submission of such report to him. The results will be posted on the website of AHEL at www.ahleast.com and on Karvy https://evoting.karvy.com, as well as on the notice board of AHEL at its registered office. The said results shall also be published in The Business Standard (English Newspaper) and Ek Din (Bengali Newspaper).

19) Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the Equity Shareholders at the registered office of AHEL as mentioned in the Explanatory Statement.

20) The Members may contact Mr. Soumya Saha, Asst. Manager – Legal & Secretarial, Asian Hotels (East) Limited, Hyatt Regency Kolkata, JA-1, Sector -III, Saltlake City, Kolkata – 700 098 to address the grievances connected with respect to remote e-voting and Postal Ballot.

21) Instructions and other information relating to remote E-voting**:**

A. In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company/Depository Participant(s)]:

i. Launch internet browser by typing the URL: https://evoting.karvy.com

ii. Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number + Folio No. or DP ID & Client ID will be your User ID. However, if you are already registered with Karvy for remote e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change menu wherein you are required to mandatorily 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 (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 address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting Event Number for Asian Hotels (East) Limited.

vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date i.e. 15th January, 2018 under "FOR/AGAINST" 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 on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.

ix. You may then cast your vote by selecting an appropriate option and click on "Submit".

x. 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 login any number of times till they have voted on the Resolution(s).

xi. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Power of Attorney/Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: siddharthamurarka@gmail.com. They may also upload the same in the remote e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. In case a member receives physical copy of the Notice by post [for members whose e-mail addresses are not registered with the Company/Depository Participant(s)]:

i. User ID and initial password - These will be sent separately.

ii. Please follow all steps from Sr. No. (i) to (xi) as mentioned in (21A) above, to cast your vote.

C. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

D. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com.

Before the National Company Law Tribunal

Kolkata Bench

Company Application No.516 of 2017

In the Matter of the Companies Act, 2013 - Section 230(1) read with Section 232(1)

And

In the Matter of :

GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN U55101WB2002PLC160608; PAN AACCG7683A)

And

Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN L15122WB2007PLC162762; PAN AACCV4634N)

1. GJS Hotels Limited

2. Asian Hotels (East) Limited

. . . . . Applicants

Explanatory Statement under Section 230(3) read with Section 232(2) of the Companies Act, 2013.

1. Meeting for Scheme of Arrangement

This is a Statement accompanying the respective Notices convening meetings of Equity Shareholders and Unsecured Creditors of Asian Hotels (East) Limited, being the Applicant Company No.2 abovenamed (hereinafter referred to as "**AHEL**") for the purpose of their considering and if thought fit, approving, with or without modification, the proposed Scheme of Arrangement between GJS Hotels Limited, being the Applicant Company No.1 abovenamed (hereinafter referred to as "**GJSHL**"), the said AHEL, being the Applicant Company No.2 abovenamed and Robust Hotels Private Limited (hereinafter referred to as "**RHPL**") and their respective shareholders whereby and whereunder it is proposed to (1) reconstruct GJSHL and AHEL by demerger of the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganise and convert the outstanding 43,00,000, 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("**Specified Preference Shares**") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("**Specified Debentures**") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement. The salient features of the Scheme of Arrangement are given in paragraph 5 of this Statement. The detailed terms of the arrangement will appear from the enclosed draft of the Scheme.

2. Date, time and venue of Meeting

Pursuant to an order dated 21st December, 2017 as modified by an order dated 4th January, 2018 , passed by the Hon'ble National Company Law Tribunal, Kolkata Bench ("**Tribunal**") in Company Application No. (CAA) No.516/KB of 2017, separate meetings of the Equity Shareholders and Unsecured Creditors of AHEL will be held for the purpose of their considering and if thought fit approving of, with or without modification(s), the said Scheme of Arrangement at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 on Wednesday, the 21st day of February, 2018 at 11:00 a.m. and 1:00 p.m. respectively.

3. Rationale and benefits

The circumstances which justify and/or have necessitated the said Scheme of Arrangement and the benefits of the same are, inter alia, as follows:-

(a) AHEL is a well established hospitality company engaged primarily in the business of running the 'Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, AHEL holds and is engaged in the business of investing in shares and securities of other bodies corporate on both, a short term basis (current investments) and long term basis (non-current investments). AHEL thus also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL. While RHPL is running the 'Hyatt Regency' hotel at Anna Salai, Teynampet in Chennai, GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan while the operations of RHPL have also been funded primarily by AHEL and GJSHL by a combination of equity capital, preference capital and debt. While AHEL has been in the hospitality business for several years, the business of GJSHL and RHPL is relatively new. The said Companies have been looking at suitable proposals for restructuring with the objective, inter alia, of simplifying and rationalising their holding and financial structure and pursuing their business more conveniently and beneficially.

(b) In the circumstances and as part of an overall restructuring plan, it is considered desirable and expedient to (1) reconstruct GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganise and convert the outstanding 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("Specified

Preference Shares") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("Specified Debentures") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement.

(c) The demerger will simplify the holding structure of the subsidiaries of AHEL and result in RHPL also becoming a direct wholly owned (100%) subsidiary of AHEL consequent to transfer of the investment of GJSHL in RHPL to AHEL as part of the demerger. Accordingly, following the demerger, both companies, GJSHL and RHPL will be directly held by AHEL. The same will enable AHEL to optimise returns from its investments in its subsidiaries and to hold such investments more conveniently. The activity of holding and monitoring investments in shares and securities of other bodies corporate, including taking decisions and exercising rights in respect of such investments is already undertaken by AHEL on a much larger scale. As such the investment in RHPL will be held and monitored in AHEL more efficiently and advantageously without detracting from the hotel operating business carried on directly by AHEL or diluting focus thereon.

(d) The demerger will enable GJSHL to pursue operating business with greater focus and attention and facilitate the business considerations and factors applicable to the same to be addressed more effectively and adequately by GJSHL without the responsibility of monitoring investments in RHPL. The demerger will also enable independent evaluation of the said business of GJSHL and facilitate running and operation of such business and growth and development plans thereof to be funded independently.

(e) The demerger will result in appropriate combination and consolidation of the investment business (Demerged Undertaking) of GJSHL with the investment business of AHEL. Such combined and consolidated investment business in AHEL will be managed and pursued more advantageously and effectively in AHEL.

(f) The reorganisation and conversion of the Specified Preference Shares and Specified 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 and enhance its capacity to raise and access funds for growth and development of its business. The conversion into equity will also link returns more closely to performance and provide greater flexibility to the financial structure of RHPL.

(g) As such, the Scheme will enable AHEL and its subsidiaries to pursue their businesses more conveniently and advantageously and unlock shareholders value.

(h) The Scheme will suitably realign and adjust the relationship between the capital and assets of the respective Companies and have beneficial results for the said Companies, their shareholders and all concerned.

4. Background of the Companies

A. Particulars of the Applicant No.1 (GJSHL)

i. GJS Hotels Limited (GJSHL) was incorporated on the 9th day of December, 2002 under the provisions of the Companies Act, 1956 as a Company limited by shares. GJSHL is a company within the meaning of the Companies Act, 2013. GJSHL, is registered with the Registrar of Companies, West Bengal having CIN U55101WB2002PLC160608. Its PAN Number with the Income Tax Department is AACCG7683A. The email id of GJSHL is saumen.chatterjee@ahleast.com. During the last five years, there has been no change in the name, registered office and objects of GJSHL. GJSHL is an unlisted Company.

ii. The main objects of GJSHL as contained in Clause III of the Memorandum of Association amongst others include undertaking and carrying on the business of hotels, motels, resorts, restaurants cafe, tavern, beer house, refreshment room, boarding and lodging house keepers, licensed victuallers, inns, wine, beer and spirit merchants, brewers, merchants importers and manufacturers of aerated mineral and artificial waters and other drinks, importers and dealers of all kinds of foods and food stuffs, vegetarian and non-vegetarian natural or synthetic, purveyors, caters for public amusement, coach, cab carriage, and motor car and proprietors of clubs, baths shopping commercial arcades beauty parlours laundries, libraries, grounds and place of amusement, health, beauty and recreation sport or otherwise; acquiring, purchasing, altering, repairing, upholding, maintaining, furnishing, land buildings, immoveable properties for the purpose of hotels, motels, resorts, restaurants, club house, holiday inns, tourist homes, cottages, shopping arcades, commercial and trading activities; managing existing hotels, motels, resorts, restaurants and to plan build furnish, equip, decorate and set up independently and/or in collaboration with other hoteliers either Indian or foreigners new hotels, motels, resorts, restaurants and to carry on the business as proprietors, managers consultants of hotels, motels, restaurants, canteen, cafeteria, travellers, lodging, guest houses and place for the purpose of providing boarding and lodging in India and abroad on a management contract or otherwise, on a franchise arrangement or otherwise; and dealing with or acting as an investor by way of acquiring, holding, selling, buying, transferring, subscribing any shares, bonds, stocks, or any other securities, of any kind, issued by or guaranteed by any government, public body, authority, state, sovereign, commissioners, trusts, provincial, municipal body, or otherwise, whether in India or elsewhere and to act as guarantors, financers, underwrites, and to lend money or deal with money, either with interest or without interest to such individuals, firms, body corporate, and institutions and upon such terms and conditions as the Company may deem expedient but not amounting to banking business as defined under the Banking Regulations Act, 1949.

iii. GJSHL is a direct and wholly owned (100%) subsidiary of AHEL. GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan. Such business of GJSHL is relatively new. In addition, GJSHL is also engaged in the business of investing in shares and securities.

iv. The Authorised Share Capital of GJSHL is Rs.14,00,00,000/-divided into 1,40,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid up Share Capital of GJSHL is Rs.10,96,10,000/- divided into 1,09,61,000 Equity Shares of Rs.10/- each fully paid up. All Equity Shares issued by GJSHL are held by AHEL and its nominees and, accordingly, GJSHL is a wholly owned (100%) subsidiary of AHEL.

v. The latest annual accounts of GJSHL have been audited for the financial year ended on March 31, 2017. GJSHL has since also

prepared its financial statements (unaudited) as on 30th September, 2017, a copy whereof is included in **Annexure "ES-1"** attached hereto. GJSHL has not issued any debentures. The following summary extracted from the said financial statements as at 30th September, 2017 indicates the financial position of GJSHL as on the said date as follows:-

Particulars		**Amount in Rupees**
A.	Paid up Share Capital	10,96,10,000
B.	Reserves and Surplus	1,37,57,25,812
	Net Shareholders Fund (A+B)	**1,48,53,35,812**
C.	Assets	
	Non-Current Assets	4,71,40,69,615
	Current Assets	31,11,367
	Total (C)	**4,71,71,80,982**
D.	Liabilities	
	Non-Current Liabilities	-
	Current Liabilities	3,23,18,45,170
	Total (D)	**3,23,18,45,170**
	Excess of Assets over Liabilities (C – D)	**1,48,53,35,812**

Subsequent to the date of the aforesaid unaudited financial statements, i.e., 30th September, 2017, there has been no substantial change in the financial position of GJSHL excepting those arising or resulting from the usual course of business.

vi. The details of Directors and Promoters of GJSHL along with their addresses are mentioned herein below:

Sl. No.	**Name**	**Category**	**Address**
Directors:			
1.	Umesh Saraf	Non Independent Director	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
2.	Padam Kumar Khaitan	Independent Director	3, Queens Park, Kolkata – 700 019
3.	Basab Chakraborty	Independent Director	5E, Beltala Road, Bhowanipur, Kolkata – 700 026
4.	Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata – 700 006
Promoters:			
1.	Asian Hotels (East) Limited	Promoter Group	Hyatt Regency Kolkata, JA-1, Sector – 3 Salt Lake City, Kolkata – 700 098

B. <u>Particulars of the Applicant No.2 (AHEL)</u>

i. The applicant No.2, Asian Hotels (East) Limited("AHEL") was incorporated on the 8th day of January, 2007 under the provisions of the Companies Act, 1956 as a Private Company limited by shares by the name and style of `Vardhman Hotels Private Limited'. With effect from 28th July, 2007, AHEL was converted into a Public Company with the name and style 'Vardhaman Hotels Limited'. Further, the name of Vardhaman Hotels Limited changed to its present one, i.e., 'Asian Hotels (East) Limited' with effect from 16th February, 2010. AHEL is a company within the meaning of the Companies Act, 2013. AHEL is registered with the Registrar of Companies, West Bengal having CIN L15122WB2007PLC162762. Its PAN Number with the Income Tax Department is AACCV4634N. The email address of AHEL is investorrelations@ahleast.com. During the last five years, there has been no change in the name, registered office and objects of AHEL. The equity shares of AHEL are listed on the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

ii. The main objects of AHEL as contained in Clause III of the Memorandum of Association amongst others includes undertaking and carrying on the business of acquiring by purchase, lease, exchange hire or otherwise lands, plots, buildings and hereditaments of any tenure or description situated in anywhere in India and any estate or interest and rights therein in particular by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels, motels, restaurants, reverts, dining rooms, bars, catering rooms, garages, stables, lodging houses, commercial buildings, farm houses, warehouses, clubs, health clubs, dressing rooms, beauty salera, baths, laundry rooms, reading, writing and library rooms, indoor and outdoors play grounds and stadiums, swimming pool, theatre, opera and cinema houses, internet café, museum and art rooms, video and other fun games room, race courses, mediation centres, boating clubs, flying clubs, freezing hot-preservation and banking chambers and by consolidating or connecting or subdividing properties and by leasing hiring and disposing of same; carrying on the business of establishing and operating of hotels, restaurants, inns, resorts, cinema, café, tavern, beer house, bars, business and commercial centres, refreshment rooms and lodging house keepers, licensed victuallers, wine, beer and, brewers, maltsters, distillers, importers and manufacturers of aerated mineral and artificial waters and other drinks, purveyors, caterers, whether in meals provided door or outdoor, carriage, taxi, motor car and motor lorry proprietors, livery stable keepers job masters, farmers dairy men, ice merchants, importers and dealers of all kinds of food and foodstuff, vegetarian and non-vegetarian, live or dead stocks, whether half prepared, fully prepared or raw form, colonial and foreign produce of all descriptions, hotel ware, hairdressers, perfumers, chemists, proprietors of clubs, night clubs, seminar, fashions shows and cultural programmes, bath, dressing rooms, grounds, places of amusements, recreation, sports, games, conduct tours and travels, entertainment and instruction of all kinds, tobacco, cigar and cigarettes merchants, agents for railways, roadways,

airways and shipping companies and transporters and earners, the articles and opera box office proprietors; acting as consultants, managers, trainers, operators, advisors, hotel management advisors, planners, valuers to and impart technical know-how, in the field of planning, construction, operations of hotels, restaurants, resorts, recreation and entertainment centres and in the field of hospitality and tourism industry whether in India or abroad; dealing with or to act as an investors by the way of acquiring, holding, selling, buying, transferring, subscribing any shares, bonds, stocks, debentures, or any other securities, of any kind, issued by or guaranteed by any government, public body, authority, state, sovereign, commissioners, trusts, provincial, municipal body, or otherwise, whether in India or elsewhere and to act as guarantors, financers, underwriters, and to lend money or deal with money, either with or without interest to such individuals, firms, body corporates, and institutions and upon such terms and conditions as the Company may deem expedient but not amounting to banking business as defined under the Banking Regulations Act, 1949.

iii. AHEL is a well established hospitality company engaged primarily in the business of running the 'Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, AHEL holds and is engaged in the business of investing in shares and securities of other bodies corporate on both, a short term basis (current investments) and long term basis (non-current investments). AHEL also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL.

iv. The Authorised Share Capital of AHEL is Rs.90,00,00,000/-divided into 8,90,00,000 Equity Shares of Rs.10/- each and 10,00,000 Preference Shares of Rs.10/- each. The Issued, Subscribed and Paid up Share Capital of AHEL is Rs.11,52,77,970/- divided into 1,15,27,797 Equity Shares of Rs.10/- each fully paid up.

v. The latest annual accounts of AHEL has been audited for the financial year ended on March 31, 2017. In accordance with the listing regulations, AHEL has prepared its financial statements (unaudited) as on 30th September, 2017, a copy whereof is included in **Annexure "ES-1"** attached hereto. Further, in accordance with the listing regulations, AHEL has also published its financial results for the quarter and half year ended 30th September, 2017 in the prescribed format. AHEL has not issued any debentures. The following summary extracted from the said financial statements as at 30th September, 2017 indicates the financial position of AHEL as on the said date as follows:-

Particulars	**Amount in Rupees**
A. Paid up Share Capital	11,52,77,970
B. Reserves and Surplus	8,76,91,96,724
Net Shareholders Fund (A+B)	**8,88,44,74,694**
C. Assets	
Non Current Assets	4,99,35,06,669
Current Assets	4,24,62,10,909
Total (C)	**9,23,97,17,577**
D. Liabilities	
Non Current Liabilities	12,26,83,892
Current Liabilities	23,25,58,992
Total (D)	**35,52,42,884**
Excess of Assets over Liabilities (C – D)	**8,88,44,74,693**

Subsequent to the date of the aforesaid financial statements, i.e., 30th September, 2017, there has been no substantial change in the financial position of AHEL excepting those arising or resulting from the usual course of business.

vi. The details of Directors and Promoters of AHEL along with their addresses are mentioned herein below:

Sl. No.	**Name**	**Category**	**Address**
Directors:			
1.	Radhe Shyam Saraf	Non Indpendent Chairman	Flat D20/G Caine Mansion, 80-88 Caine Road, Hong Kong
2.	Arun Kumar Saraf	Joint Managing Director	Western Express Highway, Santacruz (E), Mumbai – 400 055
3.	Umesh Saraf	Joint Managing Director	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
4.	Amol Chandra Chakrabortti	Independent Director	22/2A, Gora Chand Road, Kolkata – 700 014
5.	Padam Kumar Khaitan	Independent Director	3, Queens Park, Kolkata – 700 019
6.	Rama Shankar Jhawar	Independent Director	29/13, Ballygunge Park, Kolkata – 700 019
7.	Rita Bhimani	Independent Director	12/4 Sunny Park Apartments, 6 Sunny Park, Kolkata – 700 019
Promoters:			
1.	Saraf Industries Limited	Promoter Group	IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius
2.	Radhe Shyam Saraf	Promoter	Flat D20/G Caine Mansion, 80-88 Caine Road, Hong Kong
3.	Ratna Saraf	Promoter	Flat D20/G Caine Mansion, 80-88 Caine Road, Hong Kong
4.	Umesh Saraf	Promoter	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
5.	Arun Kumar Saraf	Promoter	Western Express Highway, Santacruz (E), Mumbai – 400 055

C. Particulars of RHPL

i. Robust Hotels Private Limited ("RHPL") was incorporated on the 19th day of January, 2007 under the provisions of the Companies Act, 1956 as a Company limited by shares. RHPL is a company within the meaning of the Companies Act, 2013. RHPL is registered with the Registrar of Companies, Tamil Nadu having CIN U55101TN2007PTC062085. Its PAN Number with the Income Tax Department is AADCR5418B. During the last five years, there has been no change in the name, registered office and objects of RHPL. The email address of RHPL is info@robusthotels.com. RHPL is an unlisted Company. RHPL having its registered office in the State of Tamil Nadu has filed a similar application in relation to the said Scheme under Section 230(1) of the Companies Act, 2013 in the Hon'ble Chennai Bench of the National Company Law Tribunal.

ii. The main objects of RHPL as contained in Clause III of the Memorandum of Association amongst others include carrying on the business of constructing, building, erecting, acquiring, purchasing, establishing, administrating, managing, running or in any manner and in all respects dealing in hotels and lodging houses of every kind and description, including all conveniences, amenities and facilities relating or adjunct thereto and to carry on the business of hotel, restaurant, refreshment rooms, beauty parlour, souvenir shop, café, coffee pubs, roadhouse, motel, holiday camp, holiday resorts, country clubs, caravan site, and apartment house keepers, entertainment malls, multiplexes and to let out on contract conference halls, Dancing halls, Marriage halls, convention centres; carrying on the business as proprietors of restaurant, hotel refreshment and tea rooms, cafes and milk and snack bars, tavern, beer house and lodging-house keepers, licensed victuallers, wine, beer and spirit merchants, brewers, malsters, distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, and as caterers and as contractors in all their respective branches and to buy, sell, import, export, and produce or deal/trade in groceries, confectionaries, food products, wines, spirits, and beverages of all kinds; promoting and developing tourism and develop sports and other allied activities specially to cater to the taste of foreign national and to act as business consultants and advisors for technical, engineering, marketing, financing and management assignments in relation to hospitality industry for tourists both for residents and foreign nationals.

iii. RHPL is a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL. At present, RHPL is running the 'Hyatt Regency' hotel at Anna Salai, Teynampet in Chennai. The operations of RHPL have been funded primarily by AHEL and GJSHL by a combination of equity capital, preference capital and debt. Such business of RHPL is relatively new.

iv. The Authorised Share Capital of RHPL is Rs. 2,12,00,00,000/-divided into 15,50,00,000 Equity Shares of Rs.10/- each, 43,00,000 Redeemable Preference Shares of Rs.100/- each and 1,40,00,000 Preference Shares of Rs.10/- each. The Issued, Subscribed and Paid up Share Capital of RHPL is Rs.1,97,17,38,290/- divided into 15,41,73,829 Equity Shares of Rs.10/- each and 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each ("CRPS"). All Equity Shares issued by RHPL are held by GJSHL and its nominee and, accordingly, RHPL is a wholly owned (100%) subsidiary of GJSHL at present. RHPL is presently a 80.53% subsidiary of GJSHL. Thus, RHPL is also a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL, as aforesaid.

v. The latest annual accounts of RHPL have been audited for the financial year ended on March 31, 2017. RHPL has since also prepared its financial statements as on 30th September, 2017, a copy whereof is included in **Annexure "ES-1**" attached hereto. RHPL has not issued any debentures. The following summary extracted from the said financial statements as at 30th September, 2017 indicates the financial position of RHPL as on the said date as follows:-

Particulars		**Amount in Rupees**
A.	Paid up Share Capital	1,54,17,38,290
B.	Reserves and Surplus	1,50,77,61,612
	Net Shareholders Fund (A+B)	**3,04,94,99,902**
C.	Assets	
	Non Current Assets	5,95,56,35,878
	Current Assets	16,52,87,004
	Total (C)	**6,12,09,22,882**
D.	Liabilities	
	Non Current Liabilities	2,55,93,00,529
	Current Liabilities	51,21,22,452
	Total (D)	**3,07,14,22,981**
	Excess of Assets over Liabilities (C – D)	**3,04,94,99,901**

Subsequent to the date of the aforesaid financial statements, i.e., 30th September, 2017, there has been no substantial change in the financial position of RHPL excepting those arising or resulting from the usual course of business.

vi. The details of Directors and Promoters of RHPL along with their addresses are mentioned herein below:-

Sl. No.	Name	Category	Address
Directors:			
1.	Umesh Saraf	Non Independent Director	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
2.	Arun Kumar Saraf	Non Independent Director	Western Express Highway, Santacruz (E), Mumbai – 400 055
3.	Varun Saraf	Non Independent Director	6th Floor, Grand Hyatt Residencies, Vakola, Santacruz (East), Mumbai – 400 055
4.	Avali Srinivasan	Non Independent Director	5, Bethel Chedda Nagar, Mumbai – 400 089
5.	Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata – 700 006
6.	Soumya Saha	Independent Director	29, Prasana Kumar Tagore Street, Kolkata – 700 006
Promoters:			
1.	Gjs Hotels Limited	Promoter Group	Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700 098
2.	Asian Hotels (East) Limited	Promoter Group	Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700 098

5. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are, inter alia, as follows:-

(a) The Scheme shall be operative from the Appointed Date, i.e. the close of business hours on the 31st day of March, 2016.

(b) In terms of Clause 20 of the Scheme, the same is conditional upon and subject to:

i. Approval of the Scheme by the requisite majorities of the shareholders of GJSHL, AHEL and RHPL and such other classes of persons, if any, as may be directed by the Hon'ble Benches of NCLT at Kolkata and Chennai pursuant to Section 230 of the Companies Act, 2013 ("**the Act**"). In so far as approval of shareholders of AHEL, as aforesaid, is concerned, it is clarified that in terms of paragraphs I(A)9(a) and I(A)9(b) of Annexure I of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015, the Scheme shall be acted upon only if the votes cast by the public shareholders of AHEL in favour of the Scheme are more than the number of votes cast by them against it;

ii. Sanction of the Scheme by the Hon'ble Benches of NCLT at Kolkata and Chennai.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which all the statutory approvals and sanctions are obtained and certified copies of the order of the Hon'ble Benches of NCLT at Kolkata and Chennai sanctioning the Scheme are filed with the Registrar of Companies. It is clarified that the Scheme was also made subject to approval of the Stock Exchanges where the equity shares of AHEL is listed in terms of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015. The said Stock Exchanges have since already given their Observation letter to AHEL as stated in paragraph 15 hereinafter.

(c) On the approval of the Scheme by the members of GJSHL, AHEL and RHPL pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 48, 61 and 62(1)(c) of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable.

(d) The Scheme provides for (1) Demerger of Demerged Undertaking of GJSHL to AHEL and (2) Reorganisation of Share Capital and Debentures of RHPL.

(e) Demerger of Demerged Undertaking of GJSHL to AHEL

i. With effect from the Appointed Date, the Demerged Undertaking of GJSHL, including all assets, property, rights and powers as well as all debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking shall be transferred to AHEL in the manner and subject to the modalities for transfer and vesting detailed in the Scheme.

ii. The transfer and vesting of the Demerged Undertaking of GJSHL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof.

iii. AHEL undertakes to engage all the employees of GJSHL engaged in the Demerged Undertaking on the Effective Date on the same terms and conditions on which they are engaged by GJSHL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Demerged Undertaking to AHEL. Accordingly, the services of the said employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with GJSHL. The accumulated balances, if any, standing to the credit of the said employees of the Demerged Undertaking in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by AHEL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by AHEL. Pending the transfer as aforesaid, the dues of the employees of the Demerged Undertaking relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

iv. All legal or other proceedings by or against GJSHL and relating to the Demerged Undertaking of GJSHL, on the Effective Date and all contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Demerged Undertaking of GJSHL, will be transferred to AHEL and will be enforceable by or against AHEL.

v. With effect from the Appointed Date and up to the Effective Date, GJSHL undertakes to carry on the business of the Demerged Undertaking in the ordinary course of business and GJSHL shall be deemed to have carried on and to be carrying on all business and activities relating to the Demerged Undertaking for and on account of and in trust for AHEL. All profits accruing to GJSHL (including taxes paid thereon) or losses arising or incurred by GJSHL in relation to the Demerged Undertaking for the period falling on and after the Appointed Date to the Effective date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be of AHEL. GJSHL shall be deemed to have held and stood possessed of the properties to be transferred to AHEL for and on account of and in trust for AHEL and, accordingly, GJSHL shall not (without the prior written consent of AHEL) alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the usual course of business.

vi. Since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger.

vii. The demerger and transfer of the Demerged Undertaking of GJSHL to AHEL in terms of the said Scheme shall be deemed to have taken place and come into effect prior to reorganisation of Share Capital and Debentures of RHPL in terms of the said Scheme.

viii. The transfer of assets and liabilities of the Demerged Undertaking from GJSHL to AHEL shall be accounted for in the books of account of GJSHL and AHEL in terms of the Scheme with effect from the Appointed Date. The assets and liabilities of the Demerged Undertaking of GJSHL shall accordingly be transferred to AHEL and incorporated in the books of account of AHEL at their values as appearing in the books of account of GJSHL as on the Appointed Date. A Statement of assets and liabilities of the Demerged Undertaking as appearing in the books of account of GJSHL as on March 31, 2016 is set out in Schedule I of the said Scheme. In the books of GJSHL, the difference between the assets and liabilities of the Demerged Undertaking, being a sum of Rs.2,32,88,33,185/- shall be first adjusted against the Securities Premium Account and credit balance in Profit and Loss Account of GJSHL aggregating to Rs.2,22,15,23,405/- and the remaining difference of Rs.10,73,09,780/- shall be adjusted against the Equity Share Capital of GJSHL by cancelling 1,07,30,978 Equity Shares of Rs.10/- each in the Share Capital of GJSHL.

ix. In the books of AHEL, the said difference between the book value of the assets and liabilities of the Demerged Undertaking of Rs.2,32,88,33,185/- shall be adjusted in Business Reconstruction Reserves. The value of the investment of AHEL in the Equity Share Capital of GJSHL shall stand reduced from Rs.2,34,63,65,000/- to Rs.3,92,04,730/- consequent to the demerger and cancellation of Equity Shares of GJSHL, as aforesaid. Such reduction in value of investment shall be accounted for by adjusting the same against the Business Reconstruction Reserves account in the books of AHEL. After giving effect to the accounting, as aforesaid, the net credit amount of Rs.2,16,72,915/- lying in the Business Reconstruction Reserve shall be adjusted against the General Reserve Account of AHEL.

x. Subject to the aforesaid, the Board of Directors of GJSHL and AHEL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the demerger in the respective books of account of the said Companies.

xi. Save and except the Demerged Undertaking of GJSHL and as expressly provided in the said Scheme of Arrangement nothing contained in the said Scheme of Arrangement shall affect the rest of the business, assets and liabilities of GJSHL which shall continue to belong to and be vested in and be managed by GJSHL.

xii. It is clarified and provided that cancellation of Securities Premium Account and Equity Share Capital of GJSHL in terms of the Scheme shall be effected as an integral part of the Scheme. Such cancellation does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of Share Capital and Securities Premium Account of GJSHL, it shall not be required to add "And Reduced" as suffix to its name.

(f) Reorganisation of Share Capital and Debentures of RHPL

i. Consequent to demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, AHEL shall become the holder of all Preference Shares and Debentures of RHPL. With effect from the Appointed Date, and upon the demerger of the Demerged Undertaking of GJSHL to AHEL being effective in terms of the Scheme, the Specified Preference Shares and Specified Debentures of RHPL shall, without any further act or deed, be appropriated towards Equity Share Capital of RHPL to the extent and in the manner as stated hereunder:-

a. 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each (Specified Preference Shares) 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 Rs10/- per share with effect from the Appointed Date.

b. 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each (Specified Debentures) 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.

ii. It is clarified that another (1) 50,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each which were outstanding as on the Appointed Date have since been already redeemed on 21st September, 2016 and (2) all 89,64,623 1% Preference Shares of Rs.10/- each of RHPL which were outstanding as on the Appointed Date stand converted into Equity Shares of RHPL on 6th March, 2017 in accordance with their terms.

iii. Upon the Scheme becoming effective, the Authorised Share Capital of RHPL shall stand reorganised and increased to Rs.2,24,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of RHPL shall stand altered accordingly. Consequently, the capital clause of the Memorandum of Association of RHPL shall, upon the Scheme being effective and without any further act, deed, instrument, resolution or writing stand substituted by the following clause:

"*The Authorized Share Capital of the Company is Rs.2,24,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each*".

iv. It is clarified that the consent of the members of RHPL to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in authorised share capital of RHPL and no further resolution under Sections 13 and 61 or any other applicable provisions of the Act would be required to be separately passed.

v. Upon the Scheme becoming effective, RHPL shall without any further application, act or deed, record, issue and allot an aggregate of 7,00,10,000 Equity Shares credited as fully paid up in RHPL in favour of AHEL consequent to appropriation of the Specified Preference Shares and Specified Debentures of RHPL towards Equity Shares in terms of the said Scheme.

vi. The Specified Preference Shares and Specified Debentures of RHPL shall stand reorganised and converted accordingly into 7,00,10,000 Equity Shares of Rs.10/- each of RHPL with effect from the Appointed Date. AHEL shall accept such Equity Shares to be issued and allotted to it in RHPL, as above, in full and final satisfaction of all claims in respect of such Specified Preference Shares and Specified Debentures, including in lieu of the amount paid up thereon and all arrears of dividend and interest thereon. It is clarified that the value of such arrears of dividend has been included in the valuation for conversion of the Specified Preference Shares into Equity Shares, as above. Instead of obtaining value of such arrears of dividend in cash, AHEL by the said Scheme has accordingly exercised and shall be deemed to have exercised its option to accept Equity Shares in RHPL in which such value is included.

vii. The conversion of the Specified Preference Shares and Specified Debentures into Equity Share Capital, as aforesaid, shall be accounted for in the books of account of RHPL and AHEL in terms of the Scheme with effect from the Appointed Date.

viii. In the books of RHPL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by debiting the face value of the Specified Preference Shares (Rs.43,00,00,000/-) and face value of the Specified Debentures (Rs.1,55,00,00,000/-) to the respective Preference Share Capital Account and Debentures Account and crediting the face value of the 7,00,10,000 Equity Shares of Rs.10/- each (Rs.70,01,00,000/-) issued in lieu thereof and the premium thereon (Rs.70,01,00,000/-) to the respective Equity Share Capital Account and Securities Premium Account and crediting the balance sum of Rs.57,98,00,000/- to the Business Reconstruction Reserve Account of RHPL. After giving effect to the accounting, as aforesaid, the said amount lying in the Business Reconstruction Reserve shall be adjusted against the Capital Reserve Account of RHPL.

ix. In the books of AHEL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by crediting the Investment Account of AHEL by the entire carrying amounts of AHEL recorded therein towards such Specified Preference Shares (Rs.61,53,74,060/-) and Specified Debentures (Rs.1,55,00,00,000/-) and debiting a sum of Rs.1,40,02,00,000 to such Investment account towards the aggregate of the face value and premium on the said 7,00,10,000 Equity Shares of Rs.10/- each issued on conversion and debiting the balance sum of Rs.76,51,74,060/- to the Business Reconstruction Reserve of AHEL. The resulting debit balance in Business Reconstruction Reserve shall be adjusted against General Reserves in the books of AHEL.

(g) GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

i. To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble Benches of NCLT at Kolkata and Chennai and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.

ii. To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be given by them in terms of the Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from the Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

Note: The above details are the salient features of the Scheme. The shareholders and creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. <u>Board approvals</u>

i. The Board of Directors of GJSHL has at its Board Meeting held on 10th February, 2017 by resolution passed unanimously approved the Scheme, as detailed below :

Name of Director	Voted in favour / against / did not participate or vote
Padam Kumar Khaitan	**Voted in favour**
Pawan Kumar Kakarania	**Voted in favour**
Umesh Saraf	**Did not Participate**

Note – Mr. Basab Chakraborty was appointed as an Additional Director of the Company w.e.f. 2nd March, 2017 and then regularised as an Independent Director w.e.f. 28th July, 2017.

ii. The Board of Directors of AHEL has at its Board Meeting held on 10th February, 2017 by resolution passed unanimously approved the Scheme, as detailed below :

Name of Director	Voted in favour / against / did not participate or vote
Padam Kumar Khaitan	**Voted in favour**
Rama Shankar Jhawar	**Voted in favour**
Amol Chandra Chakrabortti	**Voted in favour**
Rita Bhimani	**Voted in favour**
Umesh Saraf	**Did not Participate**
Arun Kumar Saraf	**Did not Participate**
Radhe Shyam Saraf	**Did not Participate** .

iii. The Board of Directors of RHPL has at its Board Meeting held on 10th February, 2017 by resolution passed unanimously approved the Scheme, as detailed below :

Name of Director	Voted in favour / against / did not participate or vote
Avali Srinivasan	**Voted in favour**
Pawan Kakarania	**Voted in favour**
Soumya Saha	**Voted in favour**
Arun Kumar Saraf	**Did not Participate**
Umesh Saraf	**Did not Participate**
Varun Saraf	**Leave of Absence was granted**

7. Relationship between GJSHL, AHEL and RHPL

GJSHL, AHEL and RHPL presently hold shares inter se as follows:-

	In GJSHL	In AHEL	In RHPL		
	Equity Shares	Equity Shares	Equity Shares	12% Preference Shares (CRPS)	1% Preference Shares (CCPS)
by GJSHL	Nil	Nil	12,41,63,829 (80.53%)	Nil	Nil
by AHEL	1,09,61,000 (100%)	Nil	3,00,10,000 (19.47%)	43,00,000 (100%)	Nil
by RHPL	Nil	Nil	Nil	Nil	Nil
Total cross-holdings	1,09,61,000 (100%)	Nil	15,41,73,829 (100%)	43,00,000 (100%)	Nil
Total Shares issued by the Companies	**1,09,61,000 (100%)**	**1,15,27,797 (100%)**	**15,41,73,829 (100%)**	**43,00,000 (100%)**	**Nil**

As apparent from the aforesaid table, GJSHL is a wholly owned (100%) subsidiary of AHEL while RHPL is 80.53% subsidiary of GJSHL. Thus, RHPL is also a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL.

8. Effect of Scheme on stakeholders.

The effect of the Scheme on the shareholders, creditors, debenture holders, employees, directors, key managerial personnel, promoter and non-promoter shareholders is given in the attached report (**Annexure "ES-2"**) adopted by the respective Board of Directors of the Applicants at their meetings held on 7th November, 2017 pursuant to the provisions of Section 232(2) of the Companies Act, 2013. There will be no adverse effect on account of the Scheme on the said persons. The Scheme is proposed for the advantage of all concerned, including the said persons.

9. Interest of Directors, Key Managerial Personnel and their relatives and Debenture Trustees

The shareholdings of the Directors and Key Managerial Personnel ("KMP") of the GJSHL, AHEL and RHPL and their relatives is set out in **Annexure "ES-3"** attached herewith. Save as aforesaid none of the Directors, KMPs and their relatives have any concern or interest in the Scheme of Arrangement. Since all the Equity Shares of GJSHL are held by AHEL and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger.

10. No investigation proceedings

There are no proceedings pending under Sections 235 to 251 of the Companies Act, 1956 or Sections 210 to 227 of the Companies Act, 2013 against any of GJSHL, AHEL and RHPL.

11. Amounts due to unsecured creditors

i. The respective amounts due to unsecured creditors, as on 30th September, 2017 are as follows:-

Sl. No.	Name of Company	Amount in Rupees
1.	GJS Hotels Limited	3,23,18,44,800
2.	Asian Hotels (East) Limited	4,35,68,117
3.	Robust Hotels Private Limited	1,82,23,67,715

ii. The Scheme embodies the arrangement between GJSHL, AHEL and RHPL and their respective shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of GJSHL or AHEL. The Scheme is an internal restructuring exercise and there would be no change in control or management of the enterprises as such under the Scheme. AHEL and GJSHL each have a substantial excess of assets over liabilities. Upon the Scheme coming into effect, AHEL and GJSHL would continue to have a substantial excess of assets over liabilities and be in a position to meet their liabilities, as and when they accrue and in the ordinary course of business. The creditors of the GJSHL, AHEL and RHPL are not affected adversely in any manner by the Scheme. On the contrary, the Scheme will inure to their benefit and is in their interest. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of capital restructuring is not applicable.

12. Valuation report and Fairness Opinion

i. The share entitlement ratio for the reorganisation of share capital and debentures of RHPL has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. NSBP& Co, Chartered Accountants.

ii. The said valuers used Discounted Cashflow method for valuation of the Specified Preference Shares and Specified Debentures of RHPL and average of Discounted Cashflow method and Net Asset Value method for valuation of Equity Shares of RHPL.

iii. Further details of the valuation will appear from the Valuation Report dated 2nd February, 2017 of Messrs. NSBP & Co, Chartered Accountants on the share entitlement ratio for the reorganisation of share capital and debentures of RHPL, including opinion of Shreenidhi Valuation Consultancy Services on market value of assets of RHPL as mentioned in such opinion, which is attached to this explanatory statement as **Annexure "ES-4"**

iv. D&A Financial Services (P) Limited, independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion which is annexed to this explanatory statement as **Annexure "ES-5**". The said Merchant Banker have concluded as follows:-

Based on the examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 2nd February, 2017, the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangement is fair.

A. Fair value of Equity Share of RHPL Rs.20/- per share.

B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	*Value (In Rs. Crores)*	*Number of Units*	*Value per Unit*	*Equity Share Entitlement (per 100 units)*
12% Cumulative Redeemable Preference Shares of RHPL	*64.10*	*43,00,000*	*149.06*	*745*
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	*100.62*	*2,05,00,000*	*49.09*	*245*

13. Shareholding pattern

A. The pre/post-shareholding pattern of AHEL is as follows:-

		Pre Arrangement AHEL		Post Arrangement AHEL	
	Category	No. of Equity Shares	%	No. of Equity Shares	%
(A)	**Shareholding of Promoter & Promoter group**				
(1)	Indian				
(a)	Individuals/Hindu undivided Family	33,463	0.29	33,463	0.29
(b)	Central Government/State Government(s)	0	0	0	0
(c)	Financial Institutions/Banks	0	0	0	0
(d)	Any Other (specify):	0	0	0	0
	Bodies Corporate	0	0	0	0
	Sub-Total (A)(1)	33,463	0.29	33,463	0.29

		Pre Arrangement AHEL		Post Arrangement AHEL	
	Category	No. of Equity Shares	%	No. of Equity Shares	%
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	39,02,027	33.85	39,02,027	33.85
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
(e)	Any Other (specify)				
	Bodies Corporate	36,30,630	31.49	36,30,630	31.49
	Sub-Total (A)(2)	75,32,657	65.34	75,32,657	65.34
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	75,66,120	65.63	75,66,120	65.63
(B)	**Public Shareholding**				
(1)	**Institutions**				
(a)	Mutual Funds / UTI	425	0	425	0
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0
(e)	Foreign Portfolio Investors	3,314	0.03	3,314	0.03
(f)	Financial Institutions / Banks	6,55,899	5.69	6,55,899	5.69
(g)	Insurance Companies	6,18,434	5.36	6,18,434	5.36
(h)	Provident Funds / Pension Funds	0	0	0	0
(i)	Any Other (specify) FCB	38,803	0.34	38,803	0.34
	Foreign Institutional Investors	0	0	0	0
	Sub Total (B)(1)	13,16,875	11.42	13,16,875	11.42
(2)	Central Government / State Government(s) / President of India	0	0	0	0
	Sub Total (B)(2)	0	0	0	0
(3)	**Non-Institutions**				
(a)	Individuals				
	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	10,49,193	9.10	10,49,193	9.10
	ii.Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	2,51,202	2.18	2,51,202	2.18
(b)	NBFCs registered with RBI	242	0	242	0
(c)	Employee Trusts	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
(e)	Any Other (specify)				
	Bodies Corporate	11,32,310	9.82	11,32,310	9.82
	Clearing Member	1,259	0.01	1,259	0.01
	Non Resident Individual	1,13,366	0.98	1,13,366	0.98
	Non Resident Indian Non Repatriable	23,722	0.21	23,722	0.21
	HUF	0	0	0	0
	Domestic Corporate Unclaimed Shares Account	0	0	0	0
	Trusts	10	0	10	0
	Foreign National	0	0	0	0
	IEPF	73,498	0.64	73,498	0.64
	Sub Total (B)(3)	26,44,802	22.94	26,44,802	22.94
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**39,61,677**	**34.37**	**39,61,677**	**34.37**
(C)	Shareholding of Non Promoter - Non Public shareholder				
(1)	Custodian / DR Holder	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	0	0	0	0
	TOTAL (A) + (B) + (C)	**1,15,27,797**	**100**	**1,15,27,797**	**100**

B. Pre and Post Arrangement shareholding pattern of GJSHL:-

The entire existing Issued, Subscribed and Paid up Share Capital of GJSHL of Rs.10,96,10,000/- divided into 1,09,61,000 Equity Shares of Rs.10/- each fully paid is held by AHEL and its nominees. Accordingly, all (100%) shares of GJSHL are held by its said promoter (AHEL). Since all the Equity Shares are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL.

C. Pre and Post Arrangement shareholding pattern of RHPL.

i. Pre-Shareholding Pattern

Sl. No.	Shareholder Name	Type	No. of Shares	% of holding
1.	GJS Hotels Limited	Equity Shares	12,41,63,829	80.53
2.	Asian Hotels (East) Limited	Equity Shares	3,00,10,000	19.47
3.	Asian Hotels (East) Limited	12% Cumulative Redeemable Preference Shares of Rs. 100/- each	43,00,000	100

Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, (a) all the Equity Shares held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into 22,41,83,829 Equity Shares of Rs. 10/- each.

ii. Post-Shareholding Pattern

Sl. No.	Shareholder Name	Type	No. of Shares	% of holding
1.	Asian Hotels (East) Limited	Equity Shares	22,41,83,829	100

D. Pre/post Arrangement capital structure of GJSHL, AHEL and RHPL.

The pre-Arrangement capital structure of GJSHL, AHEL and RHPL is given in paragraphs 4.A(iv), 4.B(iv) and 4.C(iv) above. There will be no change in the capital structure of GJSHL and AHEL consequent to the Scheme. The post arrangement capital structure of RHPL will be as follows:-

Class of Shares – Equity Shares	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of equity shares	22,41,83,830	22,41,83,829	22,41,83,829	22,41,83,829
Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	224,18,38,300	224,18,38,290	224,18,38,290	224,18,38,290

14. Auditors Certificate of conformity of accounting treatment in the Scheme with Accounting Standards

The Auditors of the Applicants have by their respective certificates confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

15. Approvals and intimations in relation to the Scheme

i. GJSHL and RHPL are unlisted Companies while AHEL is a listed Company. The equity shares of AHEL are listed on BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"). Pursuant to the SEBI Circular No. CIR/CFD/DIL/8/2013 dated 30th November, 2015, ("the Circular") AHEL duly filed the Scheme with the said Stock Exchanges on 10th March, 2017. Apart from the same, AHEL has also submitted the Report of its Audit Committee on the Scheme and various other documents to the stock exchanges and also displayed the same on its website and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said Circular was also filed by AHEL, a copy whereof is attached as **Annexure "ES-6"** hereto. BSE and NSE by their respective letters dated 18th May, 2017 and 23rd May, 2017 have since confirmed that they have 'no adverse observation' on the Scheme pursuant to the said SEBI Circular. Copies of the said observation letters are attached as **Annexure "ES-7"** hereto.

ii. Further, the Applicants confirm that notice in the prescribed form is also being served on all Authorities in terms of the Order of the Hon'ble Tribunal dated 21st December, 2017 as modified by an order dated 4th January, 2018 along with copy of this notice, Scheme and other documents accompanying the same.

16. Inspection of Documents

In addition to the documents annexed hereto, the following documents will be open for inspection at the Registered Office of GJSHL and AHEL on any working day, (between 11:00 A.M. to 01:00 P.M.) except Saturdays, Sundays and Public Holidays prior to the date of the meeting:

a. Copies of the order dated 21st December, 2017 and 4th January, 2018 passed by the National Company Law Tribunal, Kolkata Bench in Company Application (CAA) No.516/KB/2017;

b. Memoranda and Articles of Association of GJSHL, AHEL and RHPL;

c. Annual Financial Statements of GJSHL, AHEL and RHPL for the financial year ended 31st March, 2017

d. Financial results of AHEL for the quarter and half year ended 30th September, 2017 submitted to the Stock Exchanges in the prescribed format.

e. Certificates of the Auditors of the Applicants confirming the accounting treatment under the Scheme; and

f. Register of Shareholding of Directors' and Key Managerial Personnel of the Applicants and their relatives of GJSHL and AHEL ;

g. All other documents displayed on the AHEL's website in terms of the SEBI Circular dated 30th September, 2015, including Report of the Audit Committee of AHEL.

Sd/-

Dated this 16 day of January, 2018.

(Ravi S. Asopa)
Chairperson appointed for the Meeting

Drawn on behalf of Applicants by

Sd/-

(Aniket Agarwal)
Advocate for the Applicants
Khaitan & Co, Advocates
1B, Old Post Office Street
Kolkata 700 001

SCHEME OF ARRANGEMENT

(Pursuant to Section 230 of the Companies Act, 2013)

BETWEEN

GJS HOTELS LIMITED

AND

ASIAN HOTELS (EAST) LIMITED

AND

ROBUST HOTELS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

FOR

DEMERGER OF INVESTMENT DIVISION (DEMERGED UNDERTAKING) OF GJS HOTELS LIMITED TO ASIAN HOTELS (EAST) LIMITED

AND

REORGANISATION OF SHARE CAPITAL AND DEBENTURES OF ROBUST HOTELS PRIVATE LIMITED

PART I

(Preliminary)

1. **Definitions:**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

i. "**Act**" means the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

ii. "**NCLT**" means the Hon'ble National Company Law Tribunal.

iii. **"GJSHL"** means GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-3, Salt Lake City, Kolkata 700 098 in the State of West Bengal.

iv. **"AHEL"** means Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-3, Salt Lake City, Kolkata 700 098 in the State of West Bengal.

v. **"RHPL"** means Robust Hotels Private Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at 365, Anna Salai, Teynampet, Chennai 600 018 in the State of Tamil Nadu.

vi. "**Appointed Date**" means the close of business hours on the 31st day of March, 2016.

vii. "**Demerged Undertaking**" means the undertaking of GJSHL engaged in the business of investing in shares and securities and shall mean and include all property, rights and powers and all debts, liabilities, duties and obligations of GJSHL pertaining to the Demerged Undertaking, including:

(a) all properties and assets, real and personal, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situate, as on the Appointed Date relating to the Demerged Undertaking, including all receivables, inventories, cash and bank balances, loans and advances and other assets as appearing in the books of account of GJSHL in relation to the Demerged Undertaking and all other interests or rights in or arising out of or relating to the Demerged Undertaking together with all respective powers, interests, charges, privileges, benefits, entitlements, registrations, intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, excise duty, service tax, etcetera), deferred tax benefits and other benefits appertaining to the Demerged Undertaking and/or to which GJSHL is entitled to in respect of the Demerged Undertaking of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records relating to the Demerged Undertaking;

(b) all debts, liabilities, duties and obligations of GJSHL in relation to the Demerged Undertaking, including liabilities on account of secured loans, unsecured loans and sundry creditors, bonus, gratuity, service tax and other taxation and contingent liabilities of GJSHL pertaining to the Demerged Undertaking; and

(c) all employees of GJSHL engaged in or in relation to the Demerged Undertaking.

viii. "**Effective Date**" means the date or last of the dates on which all the requisite approvals and sanction to the Scheme are obtained and certified copies of the order of the Hon'ble Benches of NCLT at Kolkata and Chennai sanctioning the Scheme are filed with the Registrar of Companies by GJSHL, AHEL and RHPL.

ix. "**Scheme**" means this Scheme of Arrangement pursuant to Section 230 of the Act in the present form or with such modification(s) as sanctioned by the Hon'ble Benches of NCLT at Kolkata and Chennai.

x. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. **Share Capital:**

2.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of GJSHL, AHEL and RHPL as on the date of approval of this Scheme by their Boards of Directors, i.e as on 10th February, 2017 is as under:

i. GJSHL:

Authorised Share Capital:	(Rs.)
1,40,00,000 Equity Shares of Rs.10/- each	14,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
1,09,61,000 Equity Shares of Rs.10/- each fully paid up	10,96,10,000/-

ii. AHEL:

Authorised Share Capital:	(Rs.)
8,90,00,000 Equity Shares of Rs.10/- each	89,00,00,000/-
10,00,000 Preference Shares of Rs.10/- each	1,00,00,000/-
	90,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
1,15,27,797 Equity Shares of Rs.10/- each fully paid up	11,52,77,970/-

iii. RHPL:

Authorised Share Capital:	(Rs.)
9,50,00,000 Equity Shares of Rs.10/- each	95,00,00,000/-
43,00,000 Redeemable Preference Shares of Rs.100/- each	43,00,00,000/-
1,40,00,000 Preference Shares of Rs.10/- each	14,00,00,000/-
	152,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
9,39,42,769 Equity Shares of Rs.10/- each	93,94,27,690/-
43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each ("CRPS")	43,00,00,000/-
89,64,623 1% Compulsorily Convertible Preference Shares of Rs.10/- each ("CCPS")	8,96,46,230/-
	145,90,73,920/-

2.2 GJSHL, AHEL and RHPL hold shares inter se as follows:-

	In GJSHL	**In AHEL**	**In RHPL**		
	Equity Shares	Equity Shares	Equity Shares	12% Preference Shares (CRPS)	1% Preference Shares (CCPS)
by GJSHL	Nil	Nil	6,39,32,769 (68.06%)	Nil	89,64,623 (100%)
by AHEL	1,09,61,000 (100%)	Nil	3,00,10,000 (31.94%)	43,00,000 (100%)	Nil
by RHPL	Nil	Nil	Nil	Nil	Nil
Total cross-holdings	1,09,61,000 (100%)	Nil	9,39,42,769 (100%)	43,00,000 (100%)	89,64,623 (100%)
Total Shares issued by the Companies	**1,09,61,000 (100%)**	**1,15,27,797 (100%)**	**9,39,42,769 (100%)**	**43,00,000 (100%)**	**89,64,623 (100%)**

As will be apparent from the aforesaid table, GJSHL is a wholly owned (100%) subsidiary of AHEL while RHPL is a 68.06% subsidiary of GJSHL. Thus RHPL is also a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL, as aforesaid.

2.3 In addition to the above, AHEL had also given a loan (short term borrowing) of Rs.373.14 crores to GJSHL and GJSHL had subscribed to and held 2,05,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL as on the Appointed Date. It is clarified that 50,00,000 Debentures out of the said 2,05,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL have since been redeemed by RHPL on 27th September, 2016. It is further clarified that the terms applicable to 89,64,623 1% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.10/- each issued earlier by RHPL were varied on 1st October 2016 to make the said Preference Shares convertible compulsorily. Such Compulsorily Convertible Preference Shares of Rs.10/- each will stand converted into Equity Shares accordingly before 31st March, 2017 in accordance with their terms.

3. **Objects and Reasons**:

i. AHEL is a well established hospitality company engaged primarily in the business of running the `Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, AHEL holds and is engaged in the business of investing in shares and securities of other bodies corporate on both, a short term basis (current investments) and long term basis (non-current investments). AHEL thus also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL. While RHPL is running the `Hyatt Regency' hotel at Anna Salai, Teynampet in Chennai, GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan while the operations of RHPL have also been funded primarily by AHEL and GJSHL by a combination of equity capital, preference capital and debt. While AHEL has been in the hospitality business for several years, the business of GJSHL and RHPL is relatively new. The said Companies have been looking at suitable proposals for restructuring with the objective, inter alia, of simplifying and rationalising their holding and financial structure and pursuing their business more conveniently and beneficially.

ii. In the circumstances and as part of an overall restructuring plan, it is considered desirable and expedient to (1) reconstruct GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganise and convert the outstanding 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("Specified Preference Shares") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("Specified Debentures") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in this Scheme of Arrangement.

iii. The demerger will simplify the holding structure of the subsidiaries of AHEL and result in RHPL also becoming a direct wholly owned (100%) subsidiary of AHEL consequent to transfer of the investment of GJSHL in RHPL to AHEL as part of the demerger. Accordingly, following the demerger, both companies, GHSHL and RHPL will be directly held by AHEL. The same will enable AHEL to optimise returns from its investments in its subsidiaries and to hold such investments more conveniently. The activity of holding and monitoring investments in shares and securities of other bodies corporate, including taking decisions and exercising rights in respect of such investments is already undertaken by AHEL on a much larger scale. As such the investment in RHPL will be held and monitored in AHEL more efficiently and advantageously without detracting from the hotel operating business carried on directly by AHEL or diluting focus thereon.

iv. The demerger will enable GJSHL to pursue operating business with greater focus and attention and facilitate the business considerations and factors applicable to the same to be addressed more effectively and adequately by GJSHL without the responsibility of monitoring investments in RHPL. The demerger will also enable independent evaluation of the said business of GJSHL and facilitate running and operation of such business and growth and development plans thereof to be funded independently.

v. The reorganisation and conversion of the Specified Preference Shares and Specified 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, and enhance its capacity to raise and access funds for growth and development of its business. The conversion into equity will also link returns more closely to performance and provide greater flexibility to the financial structure of RHPL.

vi. As such, the Scheme will enable AHEL and its subsidiaries to pursue their businesses more conveniently and advantageously and unlock shareholders value.

vii. The Scheme will suitably realign and adjust the relationship between the capital and assets of the respective Companies and have beneficial results for the said Companies, their shareholders and all concerned.

PART II

(Demerger of Demerged Undertaking of GJSHL to AHEL)

4. **Transfer of Demerged Undertaking of GJSHL:**

4.1 With effect from the Appointed Date, the Demerged Undertaking of GJSHL shall stand demerged to AHEL. Accordingly, the Demerged Undertaking of GJSHL shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and transfer of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in AHEL, as a going concern with effect from the Appointed Date for all the estate and interest of GJSHL therein in accordance with and subject to the modalities for transfer and vesting stipulated herein.

4.2 It is expressly provided that in respect of such of the said assets of the said Demerged Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same shall be so transferred by GJSHL and shall become the property of AHEL accordingly as an integral part of the Demerged Undertaking transferred to AHEL, without requiring any deed or instrument of conveyance for the same.

4.3 In respect of such of the assets of the Demerged Undertaking other than those referred to in Clause 4.2 above, the same shall, be transferred to and vested in and/or be deemed to be transferred to and vested in AHEL pursuant to an order passed under the provisions of Section 232 of the Act.

4.4 All debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking as on the close of business on the day immediately preceding the Appointed Date and all other debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceding the Appointed Date shall also be transferred to AHEL, without any further act or deed, pursuant to an order passed under the provisions of Section 232 of the Act, so as to become the debts, liabilities, duties and obligations of AHEL.

4.5 The transfer and vesting of the Demerged Undertaking of GJSHL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof.

4.6 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by GJSHL for the operations of the Demerged Undertaking /or to which GJSHL is entitled to in relation to the Demerged Undertaking in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in AHEL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of AHEL. Since the Demerged Undertaking will be transferred to and vested in AHEL as a going concern without any break or interruption in the operation thereof, AHEL shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective. Further, all benefits, including, under Income Tax, Excise (including Cenvat), Sales Tax etc to which GJSHL is entitled in relation to the Demerged Undertaking in terms of the various Statutes and / or Schemes of Union and State Governments shall be available to and vest in AHEL upon this Scheme becoming effective.

4.7 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, balances or other outstandings as between AHEL and GJSHL in relation to the Demerged Undertaking, the same shall stand cancelled consequent to transfer of the Demerged Undertaking to AHEL and the obligations in respect thereof shall come to an end. Due effect of such cancellation shall be given in the books of account accordingly with effect from the Appointed Date as a result of such cancellation of inter-company loans, deposits, balances or other outstandings and there would be no accrual of interest or any other charges in respect of the same. The loan (short term borrowing) taken by GJSHL from AHEL in relation to the Demerged Undertaking as on the Appointed Date shall stand cancelled accordingly consequent to transfer of the Demerged Undertaking to AHEL.

4.8 The demerger and transfer of the Demerged Undertaking of GJSHL to AHEL in terms of this Scheme shall be deemed to have taken place and come into effect prior to reorganisation of Share Capital and Debentures of RHPL in terms of Part III of this Scheme.

5. **Legal Proceedings:**

All legal or other proceedings by or against GJSHL and relating to the Demerged Undertaking of GJSHL shall be continued and enforced by or against AHEL only. If proceedings are taken against GJSHL, GJSHL will defend on notice or as per advice of AHEL at the costs of AHEL and AHEL will indemnify and keep indemnified GJSHL from and against all liabilities, obligations, actions, claims and demands in respect thereof.

6. **Contracts and Deeds:**

Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Demerged Undertaking to which GJSHL is a party or to the benefit of which GJSHL may be eligible, and which have not lapsed and are subsisting on the Effective Date shall remain in full force and effect against or in favour of AHEL as the case may be, and may be enforced by or against AHEL as fully and effectually as if, instead of GJSHL, AHEL had been a party thereto.

7. **Saving of Concluded Transactions:**

The transfer and vesting of the properties and liabilities of the Demerged Undertaking under Clause 4 above, the continuance of the legal proceedings by or against AHEL under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceeding relating to the Demerged Undertaking already completed by GJSHL on or before the Effective Date to the end and intent that AHEL accepts all acts, deeds and things relating to the Demerged Undertaking done and executed by and/or on behalf of GJSHL as acts, deeds and things done and executed by and on behalf of AHEL.

8. **Employees:**

On and from the Effective Date:

8.1 AHEL undertakes to engage all the employees of GJSHL engaged in the Demerged Undertaking on the Effective Date on the same terms and conditions on which they are engaged by GJSHL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Demerged Undertaking to AHEL.

8.2 Accordingly, the services of the said employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with GJSHL.

8.3 The accumulated balances, if any, standing to the credit of the said employees of the Demerged Undertaking in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by AHEL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by AHEL. Pending the transfer as aforesaid, the dues of the employees of the Demerged Undertaking relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

9. **Business in trust for AHEL:**

With effect from the Appointed Date and upto and including the Effective Date:

9.1 GJSHL undertakes to carry on the business of the Demerged Undertaking in the ordinary course of business and GJSHL shall be deemed to have carried on and to be carrying on all business and activities relating to the Demerged Undertaking for and on account of and in trust for AHEL.

9.2 All profits accruing to GJSHL (including taxes paid thereon) or losses arising or incurred by GJSHL in relation to the Demerged Undertaking for the period falling on and after the Appointed Date to the Effective date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be of AHEL.

9.3 GJSHL shall be deemed to have held and stood possessed of the properties to be transferred to AHEL for and on account of and in trust for AHEL and, accordingly, GJSHL shall not (without the prior written consent of AHEL) alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the usual course of business.

10. **No issue of Shares:**

Since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger.

11. **Accounting:**

11.1 The transfer of assets and liabilities of the Demerged Undertaking from GJSHL to AHEL shall be accounted for in the books of account of GJSHL and AHEL in terms of this Scheme with effect from the Appointed Date.

11.2 The assets and liabilities of the Demerged Undertaking of GJSHL shall accordingly be transferred to AHEL and incorporated in the books of account of AHEL at their values as appearing in the books of account of GJSHL as on the Appointed Date. A Statement of assets and liabilities of the Demerged Undertaking as appearing in the books of account of GJSHL as on March 31, 2016 is set out in Schedule I hereto.

11.3 In the books of GJSHL, the difference between the assets and liabilities of the Demerged Undertaking, being a sum of Rs.232,88,33,185/- shall be first adjusted against the Securities Premium Account and credit balance in Profit and Loss Account of GJSHL aggregating to Rs.222,15,23,405/- and the remaining difference of Rs.10,73,09,780/- shall be adjusted against the Equity Share Capital of GJSHL by cancelling 1,07,30,978 Equity Shares of Rs.10/- each in the Share Capital of GJSHL.

11.4 In the books of AHEL, the said difference between the book value of the assets and liabilities of the Demerged Undertaking of Rs.232,88,33,185/- shall be adjusted in Business Reconstruction Reserves. The value of the investment of AHEL in the Equity Share Capital of GJSHL shall stand reduced from Rs.234,63,65,000/- to Rs.3,92,04,730/- consequent to the demerger and cancellation of Equity Shares of GJSHL, as aforesaid. Such reduction in value of investment shall be accounted for by adjusting the same against the Business Reconstruction Reserves account in the books of AHEL. After giving effect to the accounting, as aforesaid, the net credit amount of Rs.2,16,72,915/- lying in the Business Reconstruction Reserve shall be adjusted against the General Reserve Account of AHEL.

11.5 Subject to the aforesaid, the Board of Directors of GJSHL and AHEL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the demerger in the respective books of account of the said Companies.

12. **Post Scheme conduct of business:**

Even after this Scheme becomes operative, AHEL shall be entitled to operate all Bank Accounts and Demat Accounts and realise all monies and complete and enforce all pending contracts and transactions relating to the Demerged Undertaking in the name of GJSHL and in so far as may be necessary until the transfer of rights and obligations of the said Demerged Undertaking to AHEL under this Scheme is formally accepted by the parties concerned.

13. **Remaining Business:**

Save and except the Demerged Undertaking of GJSHL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the business, assets and liabilities of GJSHL which shall continue to belong to and be vested in and be managed by GJSHL.

PART III

(Reorganisation of Share Capital and Debentures of RHPL)

14. **Appropriation to Equity Share Capital**

14.1 Consequent to demerger of the Demerged Undertaking of GJSHL to AHEL in terms of this Scheme, AHEL shall become the holder of all Preference Shares and Debentures of RHPL. With effect from the Appointed Date, and upon the demerger of the Demerged Undertaking of GJSHL to AHEL being effective in terms of this Scheme, the Specified Preference Shares and Specified Debentures of RHPL shall, without any further act or deed, be appropriated towards Equity Share Capital of RHPL to the extent and in the manner as stated hereunder:-

i. 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each (Specified Preference Shares) 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 Rs10/- per share with effect from the Appointed Date.

ii. 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each (Specified Debentures) 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.

14.2 It is clarified that another (1) 50,00,000, 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each which were outstanding as on the Appointed Date have since been already redeemed on 27th September, 2016 and (2) all 89,64,623 1% Preference Shares of Rs.10/- each of RHPL which were outstanding as on the Appointed Date will stand converted into Equity Shares of RHPL before 31st March, 2017 in accordance with their terms, as stated in clause 2.3 above, and hence are not required to be dealt with in clause 14.1 above.

15. **Increase of Authorised Share Capital of RHPL**

15.1 Upon the Scheme becoming effective, the Authorised Share Capital of RHPL shall stand reorganised and increased to Rs.224,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of RHPL shall stand altered accordingly. Consequently, the capital clause of the Memorandum of Association of RHPL shall, upon the Scheme being effective and without any further act, deed, instrument, resolution or writing stand substituted by the following clause:

"The Authorized Share Capital of the Company is Rs.224,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each ".

15.2 It is clarified that for the purposes of Clause 15.1 above, the consent of the members of RHPL to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in authorised share capital of RHPL and no further resolution under Sections 13 and 61 or any other applicable provisions of the Act would be required to be separately passed.

16. **Conversion to Equity Share Capital**

16.1 Upon the Scheme becoming effective, RHPL shall without any further application, act or deed, record, issue and allot an aggregate of 7,00,10,000 Equity Shares credited as fully paid up in RHPL in favour of AHEL consequent to appropriation of the Specified Preference Shares and Specified Debentures of RHPL towards Equity Shares in terms of Clause 14.1 hereof.

16.2 The Specified Preference Shares and Specified Debentures of RHPL shall stand reorganised and converted accordingly into 7,00,10,000 Equity Shares of Rs.10/- each of RHPL with effect from the Appointed Date. AHEL shall accept such Equity Shares to be issued and allotted to it in RHPL, as above, in full and final satisfaction of all claims in respect of such Specified Preference Shares and Specified Debentures, including in lieu of the amount paid up thereon and all arrears of dividend and interest thereon.. It is clarified that the value of such arrears of dividend has been included in the valuation for conversion of the Specified Preference Shares into Equity Shares, as above. Instead of obtaining value of such arrears of dividend in cash, AHEL by this Scheme has accordingly exercised and shall be deemed to have exercised its option to accept Equity Shares in RHPL in which such value is included.

17. **Accounting**

17.1 The conversion of the Specified Preference Shares and Specified Debentures into Equity Share Capital, as aforesaid, shall be accounted for in the books of account of RHPL and AHEL in terms of this Scheme with effect from the Appointed Date.

17.2 In the books of RHPL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by debiting the face value of the Specified Preference Shares (Rs.43,00,00,000/-) and face value of the Specified Debentures (Rs.155,00,00,000/-) to the respective Preference Share Capital Account and Debentures Account and crediting the face value of the 7,00,10,000 Equity Shares of Rs.10/- each (Rs.70,01,00,000/-) issued in lieu thereof and the premium thereon (Rs.70,01,00,000/-) to the respective Equity Share Capital Account and Securities Premium Account and crediting the balance sum of Rs.57,98,00,000/- to the Business Reconstruction Reserve Account of RHPL. After giving effect to the accounting, as aforesaid, the said amount lying in the Business Reconstruction Reserve shall be adjusted against the Capital Reserve Account of RHPL.

17.3 In the books of AHEL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by crediting the Investment Account of AHEL by the entire carrying amounts of AHEL recorded therein towards such Specified Preference Shares (Rs.61,53,74,060/-) and Specified Debentures (Rs.155,00,00,000/-) and debiting a sum of Rs.140,02,00,000 to such Investment account towards the aggregate of the face value and premium on the said 7,00,10,000 Equity Shares of Rs.10/- each issued on conversion and debiting the balance sum of Rs.76,51,74,060/- to the Business Reconstruction Reserve of AHEL. The resulting debit balance in Business Reconstruction Reserve shall be adjusted against General Reserves in the books of AHEL.

PART IV

(General/ Miscellaneous Provisions)

18. **Applications:**

GJSHL and AHEL shall, with all reasonable dispatch, make necessary applications pursuant to Sections 230 and 232 of the Act to the Hon'ble Bench of NCLT at Kolkata for sanction and carrying out of the Scheme. RHPL shall, with all reasonable dispatch, also make necessary applications pursuant to Section 230 of the Act to the Hon'ble Bench of NCLT at Chennai for sanction of the Scheme. GJSHL, AHEL and RHPL shall also apply for such other approvals as may be necessary in law, if any, for bringing the Scheme into effect. Further, GJSHL, AHEL and RHPL shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

19. **Approvals and Modifications:**

GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

19.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble Benches of NCLT at Kolkata and Chennai and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.

19.2 To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be given by them in terms of this Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

20. **Scheme Conditional Upon:**

The Scheme is conditional upon and subject to:

20.1 Approval of the Scheme by the requisite majorities of the shareholders of GJSHL, AHEL and RHPL and such other classes of persons, if any, as may be directed by the Hon'ble Benches of NCLT at Kolkata and Chennai pursuant to Section 230 of the Act. In so far as approval of shareholders of AHEL, as aforesaid, is concerned, it is clarified that in terms of paragraphs I(A)9(a) and I(A)9(b) of Annexure I of SEBI Circular dated 30th November, 2015, the Scheme shall be acted upon only if the votes cast by the public shareholders of AHEL in favor of the Scheme are more than the number of votes cast by them against it;

20.2 Approval of the Scheme by the Stock Exchanges where AHEL is listed in terms of the Securities and Exchange Board of India (SEBI) Circular dated 30 November 2015; and

20.3 Sanction of the Scheme by the Hon'ble Benches of NCLT at Kolkata and Chennai.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which all the aforesaid approvals and sanction are obtained and certified copies of the order of the Hon'ble Benches of NCLT at Kolkata and Chennai sanctioning the Scheme are filed with the Registrar of Companies.

21. **Costs, Charges and Expenses:**

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto upto the stage of sanction of this Scheme, shall be borne and paid by AHEL.

22. **Residual Provisions:**

22.1 GJSHL, AHEL and RHPL shall not at any time during the period commencing from the date of approval of this Scheme by the Board of Directors of the said Companies and ending with the Effective Date make any change in their capital structure either by way of increase (by issue of equity shares on a rights or preferential allotment basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Boards of Directors of GJSHL, AHEL and RHPL.

22.2 The transition adjustments, if any, due to transition to the new Indian Accounting Standards prescribed by the Companies (Indian Accounting Standards) Rules, 2015 from 1st April, 2016 are to be made only after giving effect to the accounting for the demerger and reorganisation and conversion of Share Capital and Debentures as per this Scheme, in accordance with the earlier Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 which were applicable upto the Appointed Date. Accordingly, it is clarified that no such transition adjustments shall be required to be made in the books of GJSHL and AHEL in respect of the assets and liabilities of the Demerged Undertaking or in the books of RHPL and AHEL in respect of conversion of the Specified Preference Shares and Debentures. Such transition adjustments, if any, shall be required to be made only in respect of the other assets and liabilities of the companies.

22.3 On the approval of the Scheme by the members of GJSHL, AHEL and RHPL pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 48, 61 and 62(1)(c) of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable.

22.4 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of Securities Premium Account and Equity Share Capital of GJSHL in terms of this Scheme shall be effected as an integral part of this Scheme. Such cancellation does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of Share Capital and Securities Premium Account of GJSHL, it shall not be required to add "And Reduced" as suffix to its name.

22.5 The demerger and transfer and vesting of the Demerged Undertaking of GJSHL to AHEL under this Scheme has been proposed in compliance with the provisions of Section 2(19AA) of the Income-Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.

Schedule I

Statement of Assets and Liabilities of Demerged Undertaking as on March 31, 2016

Assets	**Rs. in Lakhs**
Fixed Assets	-
Long term loans & advances	-
Other non-current assets	-
Investments	602,32,42,553
Current Assets, Loans and Advances	
Inventories	-
Trade receivables	-
Cash and Bank Balances	75,034
Loans & Advances	2,18,500
Advance to Hotel division	3,49,11,362
Other Current & Non- Current Assets	18,45,000
Net Current Assets	
Total Assets	6,06,02,92,449
Current Liabilities & Provisions	
Short term borrowings from AHEL	373,14,18,600
Trade payables	-
Other Current Liabilities	26,212
Short-term provisions	-
Non-Current Liabilities	
Long Term provisions	14,452
Total Liabilities	373,14,59,264
Net Asset (Credit)	**2,32,88,33,185**

Annexure "ES-1"

SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
BALANCE SHEET FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in

Particulars	Note	As at 30.09.2017	As at 31.03.2017
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	1	1,131,180,254	1,161,792,199
(b) Capital work in progress	2	3,473,387	90,450
(c) Financial assets			
(i) Investments	3	3,755,823,616	3,773,867,363
(ii) Other financial assets	4	11,457,025	11,537,025
(d) Income tax assets (net)	5	91,572,387	85,501,434
(e) Other non-current assets	6	-	274,879
		4,993,506,669	5,033,063,350
(2) Current assets			
(a) Inventories	7	28,822,319	26,365,280
(b) Financial assets			
(i) Investments	3	621,200,459	664,449,739
(ii) Trade receivables	8	75,023,210	57,612,270
(iii) Cash and cash equivalents	9	27,233,268	49,585,412
(iv) Loans	10	3,428,071,775	3,264,005,075
(v) Other financial assets	4	24,569,803	26,136,487
(c) Other current assets	6	41,290,075	25,748,700
		4,246,210,909	4,113,903,963
Total Assets		**9,239,717,577**	**9,146,967,313**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	115,277,970	115,277,970
(b) Other equity	12	8,769,196,724	8,770,056,839
		8,884,474,694	8,885,334,809
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	13	1,539,000	1,574,000
(b) Provisions	14	21,057,126	19,877,612
(c) Deferred tax liabilities (net)	15	100,087,766	102,166,952
		122,683,892	123,618,564
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	16	114,875,168	85,352,522
(ii) Other financial liabilities	13	15,818,047	19,449,024
(b) Provisions	14	3,091,294	3,091,294
(c) Other current liabilities	17	98,774,483	30,121,100
		232,558,992	138,013,940
Total Equity & Liabilities		**9,239,717,577**	**9,146,967,313**

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in

	Particulars	Note	Halfyear ended 30.09.2017	Year ended 31.03.2017
I	Revenue from operations	18	461,409,438	983,179,371
II	Other income	19	31,513,248	87,927,684
III	**Total Income**		**492,922,686**	**1,071,107,055**
IV	Expenses			
	Consumption of provisions, beverages, smokes & others	20	61,326,842	132,022,685
	Employee benefits expenses	21	95,260,356	200,292,418
	Finance cost	22	-	5,005,323
	Depreciation and amortization expenses	1	31,553,376	63,779,181
	Other expenses	23	229,327,609	467,489,988
	Total expenses		417,468,184	868,589,595
V	Profit / (loss) before exceptional items and tax		75,454,502	202,517,460
VI	Exceptional items		-	33,623,719
VII	Profit / (loss) before tax		75,454,502	168,893,741
VIII	Tax expense			
	(1) Current tax		21,666,222	52,331,941
	(2) Deferred tax		(2,079,186)	(12,189,422)
	(3) MAT Credit		-	-
	(4) Tax for earlier years		-	(826,826)
IX	**Profit / (loss) for the period**		**55,867,466**	**129,578,048**
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit liability		-	(24,686)
	Equity instruments through other comprehensive income		(28,978,410)	22,806,801
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	8,543
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			(28,978,410)	22,790,658
XI	**Total comprehensive income for the period**		**26,889,056**	**152,368,706**
XII	Earnings per equity share			
	(1) Basic		4.85	11.28
	(2) Diluted		4.85	11.28

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in

Particulars	Equity Share Capital	Reserves and Surplus					Other Comprehensive Income		Total equity attributable to equity holders of the Company
		Retained earnings	General Reserve	Securities premium account	Capital Redemption Reserve	Capital reserve	Equity instruments through other comprehensive income	Other items of other comprehensive income	
As at 01.4.2016	114,405,850	2,363,461,550	6,462,374,116	14,612,822	2,000,000	141,043	-	304,284	8,957,099,615
Change in equity for the year ended March 31, 2017									
Shares issue during the year	32,142,840								32,142,840
Shares cancelled on merger	(31,270,720)								(31,270,720)
Profit for the period	-	129,578,048	-	-	-	-	-	-	129,578,048
Dividend	-	(22,881,170)	-	-	-	-	-	-	(22,881,170)
Corporate dividend tax	-	(4,658,068)	-	-	-	-	-	-	(4,658,068)
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	(16,143)	(16,143)
Equity instruments through OCI	-	-	-	-	-	-	22,806,801	-	22,806,801
Share premium reserve utilised on cancellation of shares	-	-	(983,253,246)	(14,612,822)	-	417,857,160	-	-	(580,008,908)
Addition on account of merger	-	260,030,620	121,611,685			-	-	-	381,642,514
Profit transferred to general reserve	-	(15,000,000)	15,000,000	-	-	-	-	-	-
As at 31.3.2017	115,277,970	2,711,431,189	5,615,532,555	-	2,000,000	417,998,203	22,806,801	288,091	8,885,334,809
Change in equity for the halfyear ended Sept. 30, 2017									
Profit for the period	-	55,867,466	-	-	-	-	-	-	55,867,466
Dividend	-	(23,055,594)	-	-	-	-	-	-	(23,055,594)
Corporate dividend tax	-	(4,693,577)	-	-	-	-	-	-	(4,693,577)
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	-	-
Equity instruments through OCI	-	-	-	-	-	-	(28,978,410)	-	(28,978,410)
Profit transferred to general reserve	-	-	-	-	-	-	-	-	-
As at 30.09.2017	115,277,970	2,739,549,484	5,615,532,555	-	2,000,000	417,998,203	(6,171,609)	288,091	8,884,474,694

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE QUARTER ENDED 30.09.2017

1. PROPERTY, PLANT & EQUIPMENT

Amount in

Particulars	Leasehold Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
Gross Block (at cost)						
As at 01.04.2016	267,042,819	999,017,100	745,907,217	182,548,417	9,185,489	2,203,701,042
Additions	-	1,706,231	3,972,518	2,048,832	-	7,727,581
Disposals	-	-	123,924,086	18,007,990	-	141,932,076
As at 31.03.2017	267,042,819	1,000,723,331	625,955,649	166,589,259	9,185,489	2,069,496,547
Additions	-	-	346,594	603,968	-	950,562
Disposals	-	-	182,624	-	-	182,624
As at 30.09.2017	**267,042,819**	**1,000,723,331**	**626,119,619**	**167,193,227**	**9,185,489**	**2,070,264,485**
Depreciation						
As at 01.04.2016	-	212,650,650	582,476,303	164,575,082	7,883,041	967,585,076
Charge for the year	-	16,250,187	45,665,811	1,529,959	333,224	63,779,181
Disposals	-	-	106,606,950	17,052,959	-	123,659,909
As at 31.03.2017	-	228,900,837	521,535,164	149,052,082	8,216,265	907,704,348
Charge for the year	-	7,870,143	22,705,858	810,308	167,068	31,553,376
Disposals	-	-	173,493	-	-	173,493
As at 30.09.2017	**-**	**236,770,980**	**544,067,529**	**149,862,390**	**8,383,333**	**939,084,231**
Net Block						
As at 31.03.2017	267,042,819	771,822,494	104,420,485	17,537,177	969,224	1,161,792,199
As at 30.09.2017	**267,042,819**	**763,952,351**	**82,052,090**	**17,330,837**	**802,156**	**1,131,180,254**

2. CAPITAL WORK IN PROGRESS

Amount in

Particulars	Building	Plant & Equipment	Furniture & Fixtures	Total
As at 01.04.2016	16,342,029	-	-	16,342,029
Additions	-	-	-	-
Deductions	16,251,579	-	-	16,251,579
As at 31.03.2017	90,450	-	-	90,450
Additions	308,225	3,074,712	-	3,382,937
Deductions	-	-	-	-
As at 30.09.2017	**398,675**	**3,074,712**	**-**	**3,473,387**

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

3. INVESTMENTS *Amount in .*

Particulars	Non - current	
	As at 30.09.2017	As at 31.03.2017
Unquoted		
Investment in Equity Shares carried at cost		
Investment in equity shares of subsidiary - G.S Hotels Limited		
10,961,000 (previous year: 10,961,000) equity shares of 10/- each fully paid up	2,346,365,000	2,346,365,000
Investment in equity shares of subsidiary - Robust Hotels Private Limited		
30,010,000 (previous year: 30,010,000) equity shares of 10/- each fully paid up	300,175,000	300,175,000
Investment in equity shares of subsidiary - Regency Convention Centre & Hotels Limited		
91,652 (previous year: 91,652) equity shares of 10/- each fully paid up	257,901,724	257,901,724
	2,904,441,724	2,904,441,724
Investment in Preference Shares carried at amortised cost		
Investment in preference shares of subsidiary - Robust Hotels Pvt. Ltd.		
4,300,000 (previous year: 4,300,000) 12% cumulative redeemable preference shares of 100/-each fully paid up	615,374,060	615,374,060
	615,374,060	615,374,060
Quoted		
Investment carried at FVTOCI		
Investment in equity shares of Asian Hotels (West) Limited		
524,438 (previous year: 458,377) equity shares of 10/- each fully paid up	86,007,832	104,051,579
Investment carried at amortised cost		
Investment in Bonds of Indian Railways Financial Corporation Limited		
150,000 (previous year: 150,000) 8.23% tax free bonds of 1000/-each	150,000,000	150,000,000
	236,007,832	254,051,579
	3,755,823,616	3,773,867,363
Aggregate value of quoted investments	236,007,832	254,051,579
Aggregate value of unquoted investments	3,519,815,784	3,519,815,784
Aggregate amount of provision for diminution in value of investments	-	-

3. INVESTMENTS *Amount in .*

Particulars	No. of Units		Current	
	As at	As at	As at 30.09.2017	As at 31.03.2017
			₹	₹
Unquoted, fully paid up				
Investment carried at FVTPL				
Investment in units of mutual funds				
Birla Sun Life Cash Plus -DDR	566,819	-	56,803,632	-
Franklin India Ultra Short Bond Fund-SIP-DDR	8,136,943	-	82,084,647	-
ICICI Prudential Flexible Income Plan-DDR	687,551	1,887,568	72,698,792	199,625,766
ICICI Prudential Savings Fund - DDR	-	1,014,163	-	102,862,505
UTI Short Term Income Fund-Institutional Plan - Growth	13,007,280	13,007,280	268,817,560	259,345,659
UTI Treasury Advantage Fund -Inst.Plan-DDR	140,343	102,368	140,795,828	102,615,809
			621,200,459	664,449,739
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			621,200,459	664,449,739
Aggregate amount of adjustments to impairment in value of investments			-	-

4. OTHER FINANCIAL ASSETS *Amount in .*

Particulars	Non - current	
	As at 30.09.2017	As at 31.03.2017
Security deposits	11,457,025	11,537,025
	11,457,025	11,537,025

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in .

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Advance to Regency Convention Centre and Hotels Limited	14,100,474	13,970,474
Interest accrued but not due	6,017,274	12,166,013
Interest accrued and due	4,452,055	-
	24,569,803	**26,136,487**

5. INCOME TAX ASSETS (net)

Amount in rs.

	Non - current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Income tax assets	441,655,258	413,918,083
Less: Provision for taxes	350,082,871	328,416,649
	91,572,387	**85,501,434**

6. OTHER ASSETS

Amount in rs.

	Non-current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Capital advance	-	274,879
	-	**274,879**

Amount in rs.

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Advance to suppliers	25,129,379	8,172,669
Prepaid expenses	10,651,458	10,484,655
Balance with statutory authorities	5,509,158	7,091,376
	41,290,075	**25,748,700**

7. INVENTORIES

Amount in rs.

	Non-current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Food, Liquor & Tobacco	26,410,693	23,882,128
General Stores and Spares	2,411,626	2,484,152
	28,822,319	**26,366,280**

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

8. TRADE RECEIVABLES *Amount in rs.*

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Exceeding 6 months from payment due date		
- Unsecured, considered good	-	-
- Doubtful	-	1,089,475
	-	1,089,475
- Less: allowance for bad & doubtful debts	-	1,089,475
	-	-
Other trade receivables		
- Unsecured, considered good	75,023,210	57,612,270
- Doubtful	1,150,288	528,756
	76,173,498	58,141,026
- Less: allowance for bad & doubtful debts	1,150,288	528,756
	75,023,210	57,612,270
	75,023,210	**57,612,270**

9. CASH & CASH EQUIVALENTS *Amount in rs.*

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Balance with banks		
In current accounts	(789,736)	23,804,844
In fixed deposit accounts *	20,000,000	20,000,000
In unpaid dividend accounts	4,849,749	4,414,916
Cash on hand (including Stamps in hand 189,673)	2,618,355	1,023,005
Cheques on hand	554,900	342,646
	27,233,268	**49,585,412**

* The Company maintains an overdraft account and has given revolving letter of credit to West Bengal State Electricity Distribution Company Limited secured against fixed deposits.

10. LOANS *Amount in rs.*

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Loans/advance to subsidiary companies		
GJS Hotels Limited	3,231,844,800	3,230,204,800
Robust Hotels Pvt. Ltd.	162,500,000	-
Other loans and advances		
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd.	33,448,275	33,448,275
Employee advance	278,700	352,000
	3,428,071,775	**3,264,005,075**

11. SHARE CAPITAL *Amount in rs.*

Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Authorised Shares		
89,000,000 Equity shares of Rs. 10/- each	890,000,000	140,000,000
1,000,000 Preference shares of 10/- each	10,000,000	10,000,000
Issued, subscribed & paid up		
11,527,797 (previous year: 11,527,797) Equity Shares of 10/- each	115,277,970	115,277,970
Total	**115,277,970**	**115,277,970**

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	**As at 30.09.2017**	**As at 31.03.2017**
At the beginning of the year	11,527,797	11,440,585
Issued during the year	-	3,214,284
Cancelled during the year	-	(3,127,072)
At the end of the year	11,527,797	11,527,797

Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per 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.

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Details of shareholders Holding more than 5% shares in the Company

Equity shares	As at 30.09.2017	As at 31.03.2017	As at 30.09.2017	As at 31.03.2017
	% of Holding	% of Holding	No. of Shares	No. of Shares
Saraf Industries Limited	31.49%	31.49%	3,530,630	3,530,630
Radhe Shyam Saraf	28.49%	28.49%	3,284,680	3,284,680
Axis Bank Limited	5.42%	5.42%	624,487	624,487
Ratna Saraf	5.36%	5.36%	617,347	617,347

12. OTHER EQUITY

Amount in rs.

Particulars	As at 30.09.2017	As at 31.03.2017
Capital reserve	417,998,203	417,998,203
Capital redemption reserve	2,000,000	2,000,000
Securities premium reserve	-	-
General reserve	5,615,532,555	5,615,532,555
Retained earnings	2,739,549,484	2,711,431,189
FVTOCI reserve	(5,883,518)	28,094,892
	8,769,196,724	8,770,056,839

13. OTHER FINANCIAL LIABILITIES

Amount in rs.

Particulars	Non-Current	
	As at 30.09.2017	As at 31.03.2017
Security deposit	1,539,000	1,574,000
	1,539,000	1,574,000

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Salary payable	3,060,403	8,324,967
Unpaid dividends	4,849,749	4,414,916
Expenses payable	7,847,893	6,649,141
Security deposit	60,000	60,000
	15,818,047	19,449,024

14. PROVISIONS

Amount in rs.

Particulars	Non-Current	
	As at 30.09.2017	As at 31.03.2017
Provision for gratuity	15,506,982	15,302,754
Provision for leave benefits	5,550,144	4,574,858
	21,057,126	19,877,612

Amount in

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Provision for gratuity	2,267,519	2,267,519
Provision for leave benefits	823,775	823,775
	3,091,294	3,091,294

15. DEFERRED TAX LIABILITIES

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Deferred tax liabilities		
On fiscal allowances of fixed assets	170,639,047	174,283,094
	170,639,047	174,283,094
Deferred tax assets		
On Employees' separation and retirement etc.	9,265,388	10,668,204
On Provision for doubtful debts / advances	398,092	560,037
MAT credit entitlement	60,887,901	60,887,901
Other timing differences	-	-
	70,551,281	72,116,142
	100,087,766	102,166,952

16. TRADE PAYABLES

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Trade payables	114,875,168	85,352,522
	114,875,168	85,352,522

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

17. OTHER LIABILITIES

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Advance from customers	79,890,869	23,771,320
Statutory dues	18,883,614	6,349,780
Operation / Corporate	0	-
	98,774,483	30,121,100

18. REVENUE FROM OPERATIONS

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Sale of products		
Wines and Liquor	36,902,517	64,644,238
Food, Other Beverages and Smokes	189,021,454	409,102,023
	225,923,971	473,746,261
Sale of services		
Rooms	198,778,378	414,373,682
Banquet income (only rental portion)	5,864,431	23,735,321
Health & spa	14,618,945	29,414,655
Laundry & dry cleaning	6,624,215	12,923,237
Auto rental	4,440,535	9,543,627
Communication	406,933	1,235,165
Service Charge	1,927,415	11,593,651
Other operating revenue	2,824,614	6,613,772
	235,485,467	509,433,110
	461,409,438	983,179,371

19. OTHER INCOME

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Interest income from non-current investments	6,189,411	12,345,000
Interest income - others	5,078,769	8,517,097
Dividend on current investment	9,580,221	11,542,125
Fair value gain on current investments	9,198,212	54,059,102
Profit on sale of fixed assets	10,956	-
Excess provision written back	1,357,173	1,214,360
Miscellaneous income	98,506	250,000
	31,513,248	87,927,684

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

20. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Opening Stock	23,882,128	15,008,371
Add : Purchases	63,855,407	140,896,442
	87,737,535	155,904,813
Less : Closing Stock	26,410,693	23,882,128
	61,326,842	132,022,685

21. EMPLOYEE BENEFIT EXPENSES

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Salaries, wages & bonus	80,742,091	166,613,744
Contribution to provident & other funds	5,978,972	10,771,529
Staff welfare expenses	7,695,531	17,553,843
Recruitment & training	843,763	5,353,302
	95,260,356	200,292,418

22. FINANCE COST

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Interest on loan against securities	-	1,685,348
Interest on bank overdraft	-	64,257
Interest on inter-corporate deposit	-	3,255,610
Interest on late payment of TDS	-	102
	-	5,005,323

23. OTHER EXPENSES

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Contract labour and service	24,499,821	47,481,007
Room, catering & other supplies	25,916,398	46,746,575
Linen & operating equipments consumption	2,132,020	5,785,139
Fuel, power & light	57,567,195	96,138,170
Repairs, maintenance & refurbishing	35,545,242	79,801,059
Satellite & television charges	312,841	459,976
Rent	10,142,225	20,572,025
Rates & taxes	6,369,189	8,065,298
Insurance	1,177,013	2,415,189
Directors' sitting fees	520,000	1,470,000
Legal & professional expenses	3,335,515	9,613,386
Payment to auditors	310,000	1,358,301
Printing & stationery	1,280,993	2,286,385
Guest transportation	12,515,922	23,775,829
Travelling & conveyance	4,872,258	10,022,952
Communication expenses	2,241,985	3,975,859
Technical services	14,487,726	38,084,636
Advertisement & publicity	10,878,052	34,840,710
Commission & brokerage	13,087,414	29,540,681
CSR expenditure	-	3,200,000
Charity & donation	11,000	286,000
Bank charges and commission	186,831	616,689
Provision for bad & doubtful debts	800,748	1,199,223
Net loss/(gain) on foreign currency translation	(9,298)	674,668
Loss on sale of fixed assets	-	328,620
Miscellaneous expenses	1,147,118	3,758,611
	229,327,609	467,489,988

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

BALANCE SHEET FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

Particulars	Note	As at 30.09.2017	As at 31.03.2017
ASSETS			
(1) **Non - current assets**			
(a) Property, plant and equipment	1	68,539,349	68,539,349
(b) Capital work in progress		967,481	781,731
(c) Financial assets			
(i) Investments	2	4,644,209,503	4,606,961,373
(ii) Other financial assets	3	2,000	2,000
(d) Deferred tax assets	4	351,282	351,282
		4,714,069,615	4,676,635,735
(2) **Current assets**			
(a) Financial assets			
(i) Cash and cash equivalents	5	586,166	16,392
(ii) Other financial assets	3	2,172,123	1,395,000
(b) Income tax assets (net)	6	103,078	103,078
(c) Other Current Assets	7	250,000	-
		3,111,367	1,514,470
Total assets		**4,717,180,982**	**4,678,150,205**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	8	109,610,000	109,610,000
(b) Other equity	9	1,375,725,812	1,338,293,065
		1,485,335,812	1,447,903,065
LIABILITIES			
(1) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	3,231,844,800	3,230,204,800
(ii) Other financial liabilities	11	-	38,470
(b) Other current liabilities	12	370	3,870
		3,231,845,170	3,230,247,140
Total Equity & Liabilities		**4,717,180,982**	**4,678,150,205**

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/- **Umesh Saraf** Director (DIN: 00017985)

sd/- **Padam Kumar Khaitan** Director (DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

	Particulars	Note	Quarter ended 30.09.2017	Year ended 31.03.2017
I	Revenue from operations		-	-
II	Other income	13	38,025,253	230,533,192
III	**Total income**		**38,025,253**	**230,533,192**
IV	**Expenses**			
	Employee benefits expenses	14	508,407	599,791
	Other expenses	15	84,099	232,882
	Total expenses		**592,506**	**832,673**
V	Profit / (loss) before exceptional items and tax		37,432,747	229,700,519
VI	Exceptional items		-	-
VII	**Profit / (loss) before tax**		**37,432,747**	**229,700,519**
VIII	Tax expense			
	(1) Current tax		-	132,782
	(2) Deferred tax		-	-
	(3) MAT Credit		-	-132,782
IX	**Profit / (loss) for the period**		**37,432,747**	**229,700,519**
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			-
-				
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
-				
			-	-
XI	**Total comprehensive income for the period**		**37,432,747**	**229,700,519**
XII	Earnings per equity share			
	(1) Basic		3.42	20.96
	(2) Diluted		3.42	20.96

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/- sd/-

Umesh Saraf **Padam Kumar Khaitan**
Director Director
(DIN: 00017985) (DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

Particulars	Equity Share Capital	Other Equity						Total equity attributable to equity holders of the Company
		Reserves and Surplus				Other Comprehensive Income		
		Retained earnings	Capital reserve	Securities premium account	Other reserves	Equity instruments through other comprehensive income	Other items of other comprehensive income	
As at 01.04.2016	**109,610,000**	**(1,128,162,454)**	**-**	**2,236,755,000**	**-**	**-**	**-**	**1,237,012,990**
Change in equity for the year ended March 31, 2017								
Profit for the period	-	229,700,519	-	-	-	-	-	229,700,519
As at 31.03.2017	**109,610,000**	**(898,461,935)**	**-**	**2,236,755,000**	**-**	**-**	**-**	**1,447,903,065**
Change in equity for the Half Year ended Sep 30, 2017								
Profit for the period	-	37,432,747	-	-	-	-	-	37,432,747
As at 30.09.2017	**109,610,000**	**(861,029,188)**	**-**	**2,236,755,000**	**-**	**-**	**-**	**1,485,335,812**

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/-
Umesh Saraf
Director
(DIN: 00017985)

sd/-
Padam Kumar Khaitan
Director
(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

1. PROPERTY, PLANT & EQUIPMENT *Amount in Rs.*

Particulars	Land	Property & Plant	Others
Gross Block (at cost)			
As at 01.04.2017	68,539,349	-	-
Additions	-	-	-
Disposals	-	-	-
As at 30.09.2017	68,539,349	-	-
Depreciation			
As at 01.04.2017	-	-	-
Charge for the year	-	-	-
As at 30.09.2017	-	-	-
Net Block			
As at 31.03.2017	68,539,349	-	-
As at 30.09.2017	68,539,349	-	-

2. INVESTMENTS

Particulars	As at 30.09.2017	As at 31.03.2017
Non-current		
Unquoted		
Investment carried at cost		
Investment in equity instruments of subsidiary - Robust Hotels Pvt. Ltd.		
124,163,829 (previous year: 124,163,829) equity shares of Rs. 10/- each fully paid up	3,973,242,528	3,973,242,528
	3,973,242,528	3,973,242,528
Investment carried at amortised cost		
Investment in debentures of subsidiary - Robust Hotels Pvt. Ltd.		
15,500,000 (previous year: 15,500,000) 0.10% unsecured redeemable non-convertible debentures of Rs.100/-each fully paid up	670,966,975	633,718,845
	670,966,975	633,718,845
TOTAL	**4,644,209,503**	**4,606,961,373**
Aggregate value of unquoted investments	4,644,209,503	4,606,961,373
Aggregate amount of provision for diminution in value of investments	-	-

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

3. OTHER FINANCIAL ASSETS

Particulars	As at 30.09.2017	As at 31.03.2017
Non-current		
Security deposits	2,000	2,000
	2,000	2,000
Current		
Interest accrued and due	2,172,123	1,395,000
	2,172,123	1,395,000

4. DEFERRED TAX ASSETS

Particulars	As at 30.09.2017	As at 31.03.2017
Non-current		
MAT credit entitlement	351,282	351,282
	351,282	351,282

5. CASH & CASH EQUIVALENTS

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Balances with banks in current account	577,697	8,817
Cash on hand	8,469	7,575
	586,166	16,392

6. INCOME TAX ASSETS (net)

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Income tax assets (net of provision for tax)	455,312	455,312
Less: Provision for tax	352,234	352,234
	103,078	103,078

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

7. OTHER ASSETS

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Advance to Suppliers	250,000	-
	250,000	-

8. SHARE CAPITAL

Particulars	As at 30.09.2017	As at 31.03.2017
Authorized Shares		
14,000,000 Equity Shares of Rs.10/- each	140,000,000	140,000,000
Issued, subscribed & paid up		
10,961,000 Equity Shares of Rs.10/- each	109,610,000	109,610,000
	109,610,000	**109,610,000**

9. OTHER EQUITY

Particulars	As at 30.09.2017	As at 31.03.2017
Securities premium reserve	2,236,755,000	2,236,755,000
Retained earnings	-861,029,188	-898,461,935
	1,375,725,812	**1,338,293,065**

10. BORROWINGS

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Unsecured, repayable on demand		
Loan from related party	3,231,844,800	3,230,204,800
	3,231,844,800	**3,230,204,800**

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

11. OTHER FINANCIAL LIABLITIES

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Expenses payable	-	38,470
	-	**38,470**

12. OTHER CURRENT LIABILITIES

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
TDS payable	-	3,500
Profession tax payable	370	370
	370	**3,870**

13. OTHER INCOME

Particulars	Quarter Ended 30th Sep 2017	Year Ended 31st March 2017
Interest income on debentures	777,123	1,795,903
Finance income (unwinding) on debentures	37,248,130	119,639,519
Finance income (unwinding) on preference shares	-	109,097,770
Liabilities written back	-	-
	38,025,253	**230,533,192**

14. EMPLOYEE BENEFIT EXPENSES

Salaries and wages	495,942	575,114
Staff welfare expenses	12,465	24,677
	508,407	**599,791**

15. OTHER EXPENSES

Travelling and conveyance	24,313	106,384
Payment to auditor	5,000	35,000
Rates and taxes	3,250	7,750
Legal & professional expenses	29,500	21,513
Lease rent	-	2,100
Filing fees	689	10,244
Printing & stationery	4,615	11,310
Telephone expenses	5,874	13,396
Miscellaneous expenses	10,858	25,185
	84,099	**232,882**

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/- sd/-

Umesh Saraf **Padam Kumar Khaitan**
Director Director
(DIN: 00017985) (DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT

ROBUST HOTELS PRIVATE LIMITED

BALANCE SHEET FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in Rs.

	Note No.	As at 30.09.2017	As at 31.03.2017
ASSETS			
Non - current Assets			
(a) Property, Plant and Equipment	3	5,740,499,040	5,859,046,451
(b) Capital work - in - progress		2,568,103	-
(c) Other Intangible Assets	4	6,051,522	9,193,726
(d) Financial Assets		-	
(i) Investments	5	42,138,844	41,394,844
(iii) Other Financial Assets	6	164,378,369	17,130,879
		5,955,635,878	5,926,765,900
Current Assets			
(a) Inventories	7	9,647,451	8,171,634
(b) Financial Assets			
(i) Trade Receivables	8	70,833,736	56,086,965
(ii) Cash and Cash Equivalents	9	19,836,679	23,146,222
(iii) Loans	10	41,350	51,903
(iii) Other Financial Assets	11	16,753	16,753
(c) Current Tax Assets (net)	12	36,075,025	35,298,168
(d) Other Current Assets	13	28,836,010	28,572,916
		165,287,004	151,344,561
Total Assets		**6,120,922,882**	**6,078,110,461**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	1,541,738,290	1,541,738,290
(b) Other Equity	15	1,507,761,612	1,681,051,705
Total Equity		3,049,499,902	3,222,789,995
Liabilities			
Non - current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	2,549,566,975	2,388,818,845
(b) Provisions	17	9,733,554	8,225,888
Total non-current liabilities		2,559,300,529	2,397,044,732
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	48,174,924	40,449,886
(ii) Trade Payables	19	272,929,291	223,076,621
(iii) Other Financial Liabilities	20	120,547,240	119,048,912
(b) Provisions	21	-	69,672
(b) Other Current Liabilities	22	70,470,997	75,630,642
Total current liabilities		512,122,451	458,275,733
Total Equity and Liabilities		**6,120,922,882**	**6,078,110,461**

For and on behalf of the Board of Directors of:

Robust Hotels Private Limited

sd/- sd/-

Umesh Saraf **Soumya Saha**

Director Director

(DIN: 00017985) (DIN: 02949845)

Place: Chennai

Date : 5th December, 2017

ROBUST HOTELS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in Rs.

	Notes	Period ended 30th September, 2017	Year ended 31st March, 2017
Income			
(a) Revenue from Operations	23	380,283,808	968,950,995
(b) Other Income	24	1,469,676	18,446,490
Total		**381,753,484**	**987,397,485**
Expenditure			
(a) Consumption of Provisions, Beverages, Smokes & Others	25	40,922,885	121,827,709
(b) Employee Benefit Expense	26	77,607,609	173,562,175
(c) Finance Costs	27	125,288,655	415,274,806
(d) Depreciation and Amortization Expense		122,320,070	245,864,557
(e) Other Expenses	28	188,904,359	424,138,609
Total		**555,043,578**	**1,380,667,856**
Loss Before Exceptional Items and Tax		**(173,290,093)**	**(393,270,371)**
Exceptional Items		-	-
Loss Before Tax		**(173,290,093)**	**(393,270,371)**
Tax Expenses			
Current Tax		-	-
Loss for the year		**(173,290,093)**	**(393,270,371)**
Other Comprehensive Income		-	(1,185,194)
Total Comprehensive Income for the year		**(173,290,093)**	**(394,455,565)**
Earnings per Equity Shares (Nominal value per Equity Share Rs. 10/-)			
(Refer Note No. 38)			
(a) Basic		(1.77)	(4.02)
(b) Diluted		(1.77)	(4.02)

For and on behalf of the Board of Directors of:

Robust Hotels Private Limited

sd/- **Umesh Saraf** Director (DIN: 00017985)

sd/- **Soumya Saha** Director (DIN: 02949845)

Place: Chennai
Date : 5th December, 2017

ROBUST HOTELS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

(Amount in Rs.)

Particulars	Equity Share Capital	Other Equity				Total Equity attributable to equity holders of the Company
		Share Premium Reserve	Retained Earnings	Other Comprehensive Income	Total	
Balance as at April 1, 2015	939,427,690	1,298,512,961	(122,133,400)	-	1,176,379,561	2,115,807,251
Remeasurement of the net defined benefit liabilty/assets, net of tax effect	-	-	-	(1,669,991)	(1,669,991)	(1,669,991)
Loss for the year	-	-	(424,285,619)	-	424,285,619)	(424,285,619)
Balance as at 31st March, 2016	**939,427,690**	**1,298,512,961**	**(546,419,019)**	**(1,669,991)**	**750,423,951**	**1,689,851,641**
Balance as at April 1,2016	**939,427,690**	**1,298,512,961**	**(546,419,019)**	**(1,669,991)**	**750,423,951**	**1,689,851,641**
Increase on account of issue of 60,23,060 shares @ Rs.10/- each on conversion of 1% Compulsory Convertible Preference Shares	602,310,600	-	-	-	-	602,310,600
Securities premium on conversion of 1% Compulsory convertible Preference shares into Equity Shares	-	1,325,083,320	-	-	1,325,083,320	1,325,083,320
Remeasurement of the net defined benefit liabilty/assets, net of tax effect	-	-	-	(1,185,194)	(1,185,194)	(1,185,194)
Loss for the year	-	-	(393,270,371)	-	(393,270,371)	(393,270,371)
Balance as at 31st March, 2017	**1,541,738,290**	**2,623,596,281**	**(939,689,391)**	**(2,855,185)**	**1,681,051,705**	**3,222,789,995**
Loss for the period	-	-	(173,290,093)	-	-	(173,290,093)
Balance as at 30th September, 2017	**1,541,738,290**	**2,623,596,281**	**(1,112,979,484)**	**(2,855,185)**	**1,681,051,705**	**3,049,499,902**

For and on behalf of the Board of Directors of:

Robust Hotels Private Limited

sd/-

Umesh Saraf
Director
(DIN: 00017985)

sd/-

Soumya Saha
Director
(DIN: 02949845)

Place: Chennai
Date : 5th December, 2017

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

NOTE 3 : Property, Plant and Equipments

Following are the changes in the carrying value of property, plant and equipment for the half year ended September 30, 2017

(Amount in Rs.)

Particulars	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Total
As at 1st April 2016	1,540,585,512	3,107,246,793	1,664,780,323	585,087,653	17,438,516	4,080,902	6,919,219,699
Additions	-	16,976,754	12,983,568	2,316,050	513,228	-	32,789,600
Deletions/Adjustments	-	-	14,042,004	-	-	416,214	14,458,218
As at 31 March 2017	1,540,585,512	3,124,223,547	1,663,721,887	587,403,703	17,951,744	3,664,688	6,937,551,081
As at 1st April 2017	1,540,585,512	3,124,223,547	1,663,721,887	587,403,703	17,951,744	3,664,688	6,937,551,081
Additions			650,278	49,214			
Deletions/Adjustments		68,934					
As at 30 September 2017	**1,540,585,512**	**3,124,154,613**	**1,664,372,165**	**587,452,917**	**17,951,744**	**3,664,688**	**6,937,551,081**
Accumulated Depreciation and Impairment							
As at 1st April 2016	-	189,647,460	389,065,605	251,345,035	11,092,043	2,303,608	843,453,751
Charge for the year	-	49,478,357	111,252,010	74,690,448	4,495,526	158,255	240,074,596
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	4,607,503	-	-	416,214	5,023,717
As at 31 March 2017	-	239,125,817	495,710,112	326,035,483	15,587,569	2,045,649	1,078,504,630
As at 1st April 2017	-	239,125,817	495,710,112	326,035,483	15,587,569	2,045,649	1,078,504,630
Charge for the period	-	24,951,454	56,223,376	37,409,606	557,029	79,344	119,220,809
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 30 September 2017	-	264,077,271	551,933,488	363,445,089	16,144,598	2,124,993	1,197,725,439
Net Carrying Amount							
As at 30 September 2017	1,540,585,512	2,860,077,342	1,112,438,677	224,007,828	1,807,146	1,539,695	5,740,456,200
As at 31 March 2017	1,540,585,512	2,885,097,730	1,168,011,775	261,368,220	2,364,175	1,619,039	5,859,046,451

CAPITAL WORK- IN PROGRESS

As at 30 September 2017		1,002,415					1,002,415
As at 31.3.2017	-	-	-	-	-	-	-

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

NOTE 4 : Intangible Assets

Following are the changes in the carrying value of accured intangible assets for the year ended Septmeber 30, 2017

(Amount in Rs.)

Particulars	**Softwares**	**Total**
As at 1 April 2017	38,685,431	38,685,431
Additions	-	-
Deletions/Adjustments	-	-
As at 30 September 2017	38,685,431	38,685,431
Accumulated Depreciation and Impairment		
As at 1 April 2017	29,491,705	29,491,705
Charge for the period	3,099,261	3,099,261
Impairment	-	-
Deletions/Adjustments	-	-
As at 30 September 2017	32,590,966	32,590,966
Net Carrying Amont		
As at 31 March 2017	9,193,726	9,193,726
As at 30 September 2017	6,094,465	6,094,465

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

		As at 30th September, 2017	As at 31st March, 2017
5.	**Non Current Investments**		
	Unquoted Equity Shares		
	Investments carried at fair value through Profit and Loss - fully paid		
	8,75,000 (31st March 2016 : 6,65,000, 1st April 2015: 6,65,000) Class-B Equity Shares of Maple Renewable Power Private Limited of Rs. 10/- each	42,110,844	41,360,844
	In Government Securities		
	Investments carried at amortised cost		
	- National Savings Certificate	28,000	34,000
	Total Carrying Value	**42,138,844**	**41,394,844**
	Aggregate Book Value of unquoted Investments	42,138,844	41,394,844
6.	**Other Financial Assets**		
	(Unsecured, considered good by the management)		
	Security Deposits with		
	- Government department	164,668,077	14,452,979
	- Others	(289,708)	2,677,900
	Total	**164,378,369**	**17,130,879**
	Current Assets		
7.	**Inventories**		
	(As taken valued and certified by the management)		
	(Valued at cost or Net Realisable Value, whichever is lower)		
	Food, Beverages & Tobacco	8,458,201	7,459,804
	Stores	1,189,249	711,830
	Total	**9,647,451**	**8,171,634**
8.	**Trade Receivable**		
	(Unsecured, considered good by the management)		
	Debts outstanding for a period exceeding six months	13,832,972	17,984,062
	Others	44,239,003	38,102,903
	(includes Rs.10,97,735/- from Related Parties Refer Note 36 Previous Year Rs. 4,80,320/-)		
	Total	**58,071,975**	**56,086,965**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Refer Note 36 for Trade or Other Receivables due from Subsidiaries or from firms or private companies respectively in which any director is a partner, a director or a member.

	As at 30th September, 2017	As at 31st March, 2017
9. Cash and Cash Equivalents		
Balance with Banks		
- In Current Accounts	9,412,450	12,850,102
- Margin Money Deposit (having maturity more than 12 months)	8,890,773	8,890,773
Cash on hand	1,533,455	1,405,347
(as certified by the management)		
Total	**19,836,679**	**23,146,222**

Cash and cash equivalents as of March 31, 2017, March 31, 2016 and April 1, 2015 include restricted cash and bank balances of Rs. 88,90,773/-, 1,56,63,173/- and Rs. 1,53,56,496/- respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

10. Loans		
(Unsecured, considered good by the management)		
Advance to Related Parties		
- Forex Finance Limited	-	-
Advance to employees	41,350	51,903
Total	**41,350**	**51,903**

11. Other Financial Assets		
Interest accrued on Term deposits	-	-
Interest accrued on others	-	16,753
Total	**-**	**16,753**

12. Current tax assets (net)		
Advance Income Tax (net)	36,075,025	35,298,168
(Net of Provision Rs.5,00,000 31.03.16 Rs.5,00,000 and 01.04.15 Rs. 5,00,000)		
Total	**36,075,025**	**35,298,168**

13. Other Current Assets		
Balances with Statutory Authorities	14,570,812	13,554,290
Prepaid Expenses	13,349,506	8,164,266
Advance to Suppliers	915,693	6,854,360
Total	**28,836,010**	**28,572,916**

	As at 30th September, 2017	As at 31st March, 2017
14. Share Capital		
a) Authorised		
Equity Shares of Rs. 10 each	2,150,000,000	1,550,000,000
15,50,00,000 (9,50,00,000 31 March, 2016 and 1 April, 2015)		
4,300,000 Preference Shares of Rs. 100 each	430,000,000	430,000,000
1,40,00,000 Preference Shares of Rs. 10 each	140,000,000	140,000,000
	2,720,000,000	**2,120,000,000**
Issued, Subscribed		
Equity Shares of Rs.10/- each	2,144,048,890	1,541,738,290
12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash	430,000,000	430,000,000
(Refer Note 'd' below)		
1% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.10/- each fully paid up in cash	-	-
(Refer Note 'e' below)	**2,574,048,890**	**1,971,738,290**
Paid up Equity Share Capital	1,541,738,290	1,541,738,290
Equity Shares of Rs.10/- each fully paid up in cash		
	1,541,738,290	**1,541,738,290**

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 30.9.2017	As at 31.3.2017
Equity Shares		
At the beginning of the year	93,942,769	93,942,769
Issued during the year	60,231,060	60,231,060
At the end of the year	154,173,829	154,173,829
1 % Cumulative Redeemable Optionally Convertible Preference Shares of 10/- each		
At the beginning of the year	8,964,623	8,964,623
Add: Allotted during the year	-	-
Less: Converted during the year	8,964,623	8,964,623
At the end of the year	-	-
12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash		
At the beginning of the year	43,000,000	43,000,000
At the end of the year	43,000,000	43,000,000

Particulars	As at 30.9.2017	As at 31.3.2017
Shares held by Holding/ultimate Holding Company and/or their subsidiaries/associates		
Out of equity shares issued by the Company, shares held by its		
Holding Company is as below :		
Forex Finance Private Limited		
3,00,10,000 shares of Rs.10/- each full paid	-	-
GJS Hotels Limited, the Holding Company		
124,163,829 shares Rs. 10/- each fully paid	1,241,638,290	1,241,638,290
Asian Hotels (East) Limited, Holding Company of GJS Hotels Limited		
3,00,10,000 shares of Rs. 10/- each fully paid	300,100,000	300,100,000

c) The Company has only one class of Equity Shares having a par value of Rs. 10/- each. Each shareholder is entitled to one vote per share.

d) The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

e) 1% Cumulative Convertible Prefernce Shares have been converted into 6,02,31,060 Equity Shares of Rs.10/- each at a premium of Rs.22/- per share during the year

f) **The details of shareholders holding more than 5% shares as at March 31,2017**

Name of the shareholder	As at March, 2017	
	% held	No. of Shares
Equity Shares		
Forex Finance Private Limited	-	-
GJS Hotels Limited (Holding Company)	81	124,163,829
Asian Hotels (East) Limited (Holding Company of GJS Hotels Limited)	19	30,010,000
12% Cumulative Redeemable Preference Shares		
Asian Hotels (East) Limited (Holding Company of GJS Hotels Limited)	100	4,300,000
1% Cumulative Redeemable Optionally Convertible Preference Shares		
GJS Hotels Limited (Holding Company)	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

15 Other Equity

Particulars	As at 30.09.2017	As at 31.03.2017
Securities Premium Reserve	2,623,596,281	2,623,596,281
Retained Earnings	(1,115,834,669)	(939,689,391)
Other Comprehensive Income	-	(2,855,185)
Total	**1,507,761,612**	**1,681,051,705**

	Particulars	As at 30.9.2017	As at 31.3.2017
16	**Non-current Liabilities**		
	Financial Liabilities		
	Borrowings		
	1% Cumulative Redeemable Optionally Convertible Preference Shares of 10/- each fully paid up in cash	1,818,296,175	1,818,296,175
	(refer note 'a' below)		
	Less: Converted into equity shares during the year	(1,818,296,175)	(1,818,296,175)
		-	-
	12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash	430,000,000	430,000,000
	(refer note 'b' below)	-	
	From HDFC Limited (refer note 'c' below)	1,286,100,000	1,325,100,000
	Unsecured - Debentures (Refer Note 'd' below)	-	
	1,55,00,000 (2,05,00,000 31 March, 2017 and 31 March, 2016) 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each	670,966,975	633,718,845
	Unsecured Loan		
	Total Borrowings	**2,387,066,975**	**2,388,818,845**

1 % Cumulative Redeemable Optionally Convertible Preference Shares of Rs. 10/- each

a) On 1st October 2016, 8,964,623 1% cumulative redeemable optionally convertible preference shares of Rs.10/-each has been converted into 8,964,623 1% compulsorily convertible preference shares of Rs.10/-each. On 6th March 2017, the same has been converted into 60,231,060 equity shares of Rs.32/- each, including premium of Rs.22/- each.

The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

The rights, preferences and restrictions attached to the Preference Shares are in accordance with the terms of issue and provisions of the Companies Act, 1956 and the Companies Act, 2013 unless stated otherwise.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution of all or any of the assets in specie among the shareholders would be in accordance with their rights.

1% Cumulative Convertible Prefernce Shares have been converted into 6,02,31,060 Equity Shares of Rs.10/- each at a premium of Rs.22/- per share during the year

12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash

b) The holders of Cumulative Redeemable Preference Shares have accepted the request to extend the date of redemption for a further period of five years from July 5, 2016 to July 5, 2021 vide their letter dated May 26,2016. Accordingly, the said shares are redeemable at a premium of 10% on July 5, 2021 unless mutually agreed upon for further rollover.

Security Clause

c) The above term loan is secured by pari passu charge by way of hypothecation of entire movable properties (fixed assets) both present and future and equitable mortgage by way of deposit of title deeds of immovable properties together with buildings & structures, plant & equipment, furniture & fittings installed/to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamilnadu with IDBI Bank Ltd for the Bank Guarantee facility of Rs. 5.95 crores and further, secured by way of second charge on all book debts, operating cash flows, revenues, commission and receivables both present and future, having first charge of IDBI Bank Ltd for Cash Credit facility granted to the Company . The Cash credit facility from IDBI Bank Ltd, BG facility from IDBI Bank Ltd and Term Loan from HDFC Ltd are further secured by corporate guarantee of Asian Hotels (East) Limited, Kolkata .

Terms of Repayment

HDFC Limited: The loan is repayable in 42 Quarterly Instalments being:

2 Quarterly instalments of Rs. 93,00,000 each commenced from March 31, 2015 and ended on June 30, 2015, 4 Quarterly instalments of Rs. 94,50,000 each commenced from September 30, 2015 and ending on June 30, 2016, 4 Quarterly instalments of Rs. 1,50,00,000 each commencing from September 30, 2016 and ending on June 30, 2017, 4 Quarterly instalments of Rs. 1,95,00,000 each commencing from September 30, 2017 and ending on June 30, 2018, 4 Quarterly instalments of Rs. 2,53,50,000 each commencing from September 30, 2018 and ending on June 30, 2019, 4 Quarterly instalments of Rs. 3,09,00,000 each commencing from September 30, 2019 and ending on June 30, 2020, 4 Quarterly instalments of Rs. 3,75,00,000 each commencing from September 30, 2020 and ending on June 30, 2021, 4 Quarterly instalments of Rs. 4,50,00,000 each commencing from September 30, 2021 and ending on June 30, 2022 and 12 Quarterly instalments of Rs. 6,25,50,000 each commencing from September 30, 2022 and ending on June 30, 2025 as per Repayments Schedule letter dated August 16, 2012

Unsecured Debentures

d) The above Debentures are issued as Unsecured Cumulative Non- Convertible Debentures to GJS Hotels Limited (Holding Company) carrying interest rate @ 0.1% or such other higher rate as may be agreed by both the parties from time to time having cumulative payment rights payable annually on 31st March. The Debentures are redeemable in one or more instalments within maximum period of 10 years on mutually agreed terms.

	Particulars	As at 30.9.2017	As at 31.3.2017
17	**Non Current Provisions**		
	Provision for Employee Benefits		
	Provision for Gratuity	5,019,991	4,239,227
	Provision for LTA	2,227,796	2,425,174
	Provision for Leave Benefits	2,416,095	1,561,487
	Total	**9,663,882**	**8,225,888**
18	**Current Liabilities - Borrowings**		
	Secured		
	Cash Credit Account with -		
	IDBI Bank Limited	48,174,924	40,449,886
	(Refer Note ('a') below)		
	Total	**48,174,924**	**40,449,886**

a) The above facility is secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumable stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge in favour of HDFC Limited for Term loan granted to the Company. The above facility is further secured by a pari pasu charge by way of hypothecation of entire movable properties (fixed assets) including movable machineries, tools & accessories present and future and Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 with HDFC Ltd for the Term Loan facility and Corporate Guarantee of Asian Hotels (East) Limited.

19	**Current Liabilities - Trade Payable**		
	Trade Payable	277,321,086	228,904,178
	(includes Related Parties Rs. 20,66,818/- Refer Note 36)		
	(Previous Year : Rs.14,21,531/-)		
	less: Electricity	4,391,795	5,827,557
	Total	**272,929,291**	**223,076,621**

As per information available with the Company and as certified by the Management, there is no amount due to any Small Scale Industrial Undertaking as on March 31, 2017 and March 31, 2016. There are no interest due or outstanding on the same.

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

	Particulars	As at 30.9.2017	As at 31.3.2017
20	**Other Current Financial Liabilities**		
	Current Maturities of Long Term Debt	78,000,000	73,500,000
	Interest Accrued and due on loan	5,401,849	1,451,343
	Interest Accrued and not due on loan	-	-
	Salary Payable	9,051,754	6,270,882
	Contract Payroll	4,768,350	2,613,886
	Electricity Expenses Payable	4,391,795	5,827,557
	Other Payables	18,933,492	29,385,244
	Total	**120,547,240**	**119,048,912**
21	**Current Provisions**		
	Provision for employee benefits		
	Provision for Gratuity	49,782	49,782
	Provision for Leave Benefits	19,890	19,890
	Total	**69,672**	**69,672**
22	**Other Current Liabilities**		
	Advance from Customers	13,098,874	11,250,977
	Other Current Liabilities	18,867,298	19,544,519
	(includes Related Parties Rs. 1,78,821/-Refer Note 36) (Previous Year Rs. 88,522/-)	-	-
	Other Payables	20,967,298	28,641,644
	Statutory Dues	17,537,528	16,193,503
	Advance to related parties - HYATT	-	-
	-	-	-
	Total	**70,470,998**	**75,630,642**

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

		Period ended 30.09.2017	Year Ended 31.03.2017
23	**Revenue from Operations**		
	Sale of Products		
	Soft Beverages, Wines and Liquor	-	78,173,074
	Food and Smokes	140,286,482	336,856,929
		140,286,482	**415,030,003**
	Sale of Services		
	Rooms Revenue	-	420,107,460
	Banquet Income	-	45,255,879
	Health & Spa Revenue	-	7,933,796
	Laundry Revenue	-	7,117,461
	Auto Rental Revenue	-	24,184,243
	Communications	-	1,442,671
	Equipment Revenue	-	4,024,893
	Other Operating Revenue	-	29,393,225
	Service Charge Revenue	239,997,327	14,461,365
		239,997,327	**553,920,993**
	Total	**380,283,808**	**968,950,995**
24	**Other Income**		
	Interest Income (Gross)		
	(Tax deducted at source for the year Rs.14,818/- , Previous Year Rs. 1,38,458/-)		
	On Term Deposits	336,469	1,197,148
	On Others	182,985	733,646
	Insurance Claim received	-	2,764,035
	Profit on Sale of Fixed Assets (Net)	-	
	Miscellaneous Income	800,828	2,218,211
	(Tax deducted at source for the year Rs.1,32,000/-)		
	Fair value gain on investment in shares of Maple Renewable Power Private Limited	-	6,988,887
	Net Gain/ (Loss) on Foreign Currency Transaction and Translation	149,394	4,544,564
	Total	**1,469,676**	**18,446,491**
25	**Consumption of Provisions, Beverages, Smokes & Others**		
	Opening Stock	8,171,633	6,565,554
	Add : Purchases	42,197,934	123,433,789
		50,369,567	**129,999,343**
	Less : Closing Stock	9,446,682	8,171,634
	Total Cost of Consumption	**40,922,885**	**121,827,709**

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

		Period ended 30.09.2017	Year Ended 31.03.2017
26	**Employee Benefits Expense**		
	Salaries, Wages & Bonus etc	62,240,649	136,486,224
	Contribution to Provident & other funds	4,345,042	10,294,497
	Staff Welfare Expenses *	10,416,133	26,338,446
	Recruitment & Training	605,784	442,988
		77,607,609	**173,562,155**
	*Includes cost of provisions consumed in staff cafeteria		
27	**Finance Cost**		
	Interest -		
	- On Term Loan	80,892,931	176,649,294
	- On Cash Credit	1,478,880	4,423,876
	- On Debentures	38,025,254	121,435,422
	- On Preference shares	-	109,097,770
	- On Bank Loan processing chgs	-	
	- On Others	12,421	6,239
	- On Unsecured Loan	4,452,055	-
	Other Borrowing Cost	427,114	3,662,205
	Total	**125,288,655**	**415,274,806**
28	**Other Expenses**		
	Contract Labour and Service	30,042,690	69,042,403
	Linen, Room, Catering, other supplies	9,179,053	13,821,320
	Operating Equipments Consumption	7,167,807	17,941,338
	Fuel, Power & Light	50,452,324	101,035,455
	Repairs & Maintenance		
	- To Building	3,325,201	6,583,873
	- To Plant & Equipment	12,915,716	25,655,191
	- To Others	1,113,874	2,455,766
	Equipment Hiring charges	2,442,236	3,835,447
	Rates & Taxes	14,272,613	30,588,892
	Advertisement & Publicity	14,641,391	39,456,114
	Insurance	1,704,917	3,701,790
	Net Gain/ (Loss) on Foreign Currency Transaction and Translation	-	-
	Printing & Stationery	1,095,924	2,432,800
	Directors' Sitting Fees	14,000	17,000
	Travelling & Conveyance	3,611,322	6,865,407
	Professional and Consultancy Fees	4,477,256	7,643,494
	Filing Fees	21,600	4,553,400
	Communication Expenses		
	Cost of Calls	1,803,558	2,730,398
	Telephone Charges	15,660	45,707
	Lease Line Rentals	26,072	1,073,907
	Technical Services	11,372,865	30,276,638
	Brokerage & Commission	16,228,092	40,965,354
	Internal Audit Fee	181,982	-
	Payment to Auditors		
	- As Auditor	-	325,000
	- For Taxation Matters	-	75,000
	- For Other Services	16,459	31,587
	Loss on sale of Fixed Assets (net)	-	7,969,392
	Prior Period Items	-	-
	Miscellaneous Expenses	2,781,645	5,015,936
	Total	**188,904,259**	**424,138,610**

For and on behalf of the Board of Directors of:
Robust Hotels Private Limited

	sd/-	sd/-
	Umesh Saraf	**Soumya Saha**
Place: Chennai	Director	Director
Date : 5th December, 2017	(DIN: 00017985)	(DIN: 02949845)

Annexure "ES-2"

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ASIAN HOTELS (EAST) LIMITED AT ITS MEETINGS HELD ON 7TH NOVEMBER, 2017 AT KOLKATA EXPLAINING THE EFFECT OF SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on 10th February, 2017 after considering all relevant documents, approved the Scheme of Arrangement between GJS Hotels Limited ("**GJSHL**"), Asian Hotels (East) Limited ("**AHEL**") and Robust Hotels Private Limited ("**RHPL**") and their respective shareholders for (1) reconstructing GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganising and converting the outstanding 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("**Specified Preference Shares**") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("**Specified Debentures**") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement from the Appointed date i.e. 31st March, 2016.

Pursuant to Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board of Directors of the Company explaining effect of the Scheme on the various stakeholders is required to be circulated to the equity shareholders along with the notice convening the meeting.

This report is issued by the Board accordingly.

1. Since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL. Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme being effective, (a) all the Equity Shares of RHPL held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into 22,41,83,830 Equity Shares of Rs. 10/- each.The share entitlement ratio for the reorganisation of share capital and debentures of RHPL has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. NSBP& Co, a reputed firm of Chartered Accountants. There was no difficulty in valuation. D&A Financial Services (P) Limited, independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion thereon as under :-

   Based on our examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, we are of the opinion that the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangement is fair.

   A. Fair value of Equity Share of RHPL Rs.20/- per share.

   B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	***Value (In Rs. Crores)***	***Number of Units***	***Value per Unit***	***Equity Share Entitlement (per 100 units)***
12% Cumulative Redeemable Preference Shares of RHPL	*64.10*	*43,00,000*	*149.06*	*745*
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	*100.62*	*2,05,00,000*	*49.09*	*245*

2. The effect of the Scheme on the various stakeholders, including shareholders, creditors, debenture holders, employees, Directors, Key Managerial Personnel, promoter and non-promoter shareholders is summarised below:-

Category	GJSHL	AHEL	RHPL
(a) Shareholders	The shareholders of GJSHL will continue to hold their existing Equity Shares in GJSHL. Further, since all the Equity Shares of GJSHL are held by AHEL and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL.	The shareholders of AHEL will continue to hold their existing Equity Shares in AHEL.There is no issue of shares of AHEL under the Scheme and hence there will be no change in shareholding pattern of AHEL consequent to the Scheme.	Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, (a) all the Equity Shares held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into Equity Shares. Consequently, the entire share capital of RHPL will consist of Equity Shares held by AHEL. All (100%) shares of RHPL shall be held by AHEL.
(b) Creditors	Creditors relating to the Demerged Undertaking of GJSHL will cease to be creditors of GJSHL and become creditors of AHEL on the same terms and conditions, as before. Other creditors of GJSHL will continue to be creditors of GJSHL on the same terms and conditions, as before.	Creditors relating to the Demerged Undertaking of GJSHL will become creditors of AHEL on the same terms and conditions, as before. Other creditors of AHEL will continue to be creditors of AHEL on the same terms and conditions, as before.	Existing Creditors of RHPL (excepting the sole debenture-holders of RHPL) will continue to be creditors of RHPL on the same terms and conditions as before. The debentures will be converted into Equity Shares as stated above.
(c) Depositors	There are no depositors.	There are no depositors.	There are no depositors.

Category	GJSHL	AHEL	RHPL
(d) Debenture holders	There are no debenture holders. There are no deposit trustees or debenture trustees.	There are no debenture holders.	Consequent to the Scheme all outstanding 1,55,00,000 Specified Debentures if RHPL will stand converted into Equity Shares of RHPL as stated above.
(e) Deposit trustee and Debenture trustee	Employees engaged in the Demerged Undertaking of GJSHL will cease to be employees of GJSHL and become employees of AHEL on the same terms and conditions, as before. Other employees of GJSHL will continue to be employees of GJSHL, on the same terms and conditions, as before.	There are no deposit trustees or debenture trustees.	There are no deposit trustees or debenture trustees.
(f) Employees	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	Employees of AHEL will continue to be employees of AHEL, on the same terms and conditions, as before.	Employees of RHPL will continue to be employees of RHPL, on the same terms and conditions, as before.
(g) Promoters	There are no Non Promoter members of GJSHL	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	All Companies are under common management and control.In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.
(h) Non-promoter members	KMPs continue to be KMPs of GJSHL as before.	Same as stated in this column in item (a) above.	There are no Non Promoter members of RHPL
(i) Key Managerial Personnel ("**KMP**")	They will continue to be Directors of GJSHL, as before.	KMPs continue to be KMPs of AHEL as before.	KMPs continue to be KMPs of RHPL as before.
(j) Directors		They will continue to be Directors of AHEL, as before.	They will continue to be Directors of RHPL as before.

3. In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Company and its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board of Directors of:

Asian Hotels (East Limited

sd/-

Padam Kumar Khaitan
Director
(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GJS HOTELS LIMITED AT ITS MEETINGS HELD ON 7TH NOVEMBER, 2017 AT KOLKATA EXPLAINING THE EFFECT OF SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on 10th February, 2017 after considering all relevant documents, approved the Scheme of Arrangement between GJS Hotels Limited ("**GJSHL**"), Asian Hotels (East) Limited ("**AHEL**") and Robust Hotels Private Limited ("**RHPL**") and their respective shareholders for (1) reconstructing GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganising and converting the outstanding 43,00,000, 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("**Specified Preference Shares**") and 1,55,00,000, 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("**Specified Debentures**") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement from the Appointed date i.e. 31st March, 2016.

Pursuant to Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board of Directors of the Company explaining effect of the Scheme on the various stakeholders is required to be circulated to the equity shareholders along with the notice convening the meeting.

This report is issued by the Board accordingly.

1. since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL. Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme being effective, (a) all the Equity Shares of RHPL held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into 224183830 Equity Shares of Rs.10/- each. The share entitlement ratio for the reorganisation of share capital and debentures of RHPL has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. NSBP& Co, a reputed firm of Chartered Accountants. There was no difficulty in valuation. D&A Financial Services (P) Limited, independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion thereon as under :-

   Based on our examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, we are of the opinion that the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangement is fair.

   A. Fair value of Equity Share of RHPL Rs.20/- per share.

   B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	***Value (In Rs. Crores)***	***Number of Units***	***Value per Unit***	***Equity Share Entitlement (per 100 units)***
12% Cumulative Redeemable Preference Shares of RHPL	*64.10*	*43,00,000*	*149.06*	*745*
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	*100.62*	*2,05,00,000*	*49.09*	*245*

2. The effect of the Scheme on the various stakeholders, including shareholders, creditors, debenture holders, employees, Directors, Key Managerial Personnel, promoter and non-promoter shareholders is summarised below:-

Category	GJSHL	AHEL	RHPL
(a) Shareholders	The shareholders of GJSHL will continue to hold their existing Equity Shares in GJSHL. Further, since all the Equity Shares of GJSHL are held by AHEL and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL.	The shareholders of AHEL will continue to hold their existing Equity Shares in AHEL.There is no issue of shares of AHEL under the Scheme and hence there will be no change in shareholding pattern of AHEL consequent to the Scheme.	Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, (a) all the Equity Shares held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into Equity Shares. Consequently, the entire share capital of RHPL will consist of Equity Shares held by AHEL. All (100%) shares of RHPL shall be held by AHEL.
(b) Creditors	Creditors relating to the Demerged Undertaking of GJSHL will cease to be creditors of GJSHL and become creditors of AHEL on the same terms and conditions, as before. Other creditors of GJSHL will continue to be creditors of GJSHL on the same terms and conditions, as before.	Creditors relating to the Demerged Undertaking of GJSHL will become creditors of AHEL on the same terms and conditions, as before. Other creditors of AHEL will continue to be creditors of AHEL on the same terms and conditions, as before.	Existing Creditors of RHPL (excepting the sole debenture-holders of RHPL) will continue to be creditors of RHPL on the same terms and conditions as before. The debentures will be converted into Equity Shares as stated above.

Category	GJSHL	AHEL	RHPL
(c) Depositors	There are no depositors.	There are no depositors.	There are no depositors.
(d) Debenture holders	There are no debenture holders.	There are no debenture holders.	Consequent to the Scheme all outstanding 1,55,00,000 Specified Debentures if RHPL will stand converted into Equity Shares of RHPL as stated above.
(e) Deposit trustee and Debenture trustee	There are no deposit trustees or debenture trustees.	There are no deposit trustees or debenture trustees.	There are no deposit trustees or debenture trustees.
(f) Employees	Employees engaged in the Demerged Undertaking of GJSHL will cease to be employees of GJSHL and become employees of AHEL on the same terms and conditions, as before. Other employees of GJSHL will continue to be employees of GJSHL, on the same terms and conditions, as before.	Employees of AHEL will continue to be employees of AHEL, on the same terms and conditions, as before.	Employees of RHPL will continue to be employees of RHPL, on the same terms and conditions, as before.
(g) Promoters	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	All Companies are under common management and control.In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.
(h) Non-promoter members	There are no Non Promoter members of GJSHL	Same as stated in this column in item (a) above.	There are no Non Promoter members of RHPL
(i) Key Managerial Personnel ("**KMP**")	KMPs continue to be KMPs of GJSHL as before.	KMPs continue to be KMPs of AHEL as before.	KMPs continue to be KMPs of RHPL as before.
(j) Directors	They will continue to be Directors of GJSHL, as before.	They will continue to be Directors of AHEL, as before.	They will continue to be Directors of RHPL as before.

3. In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Company and its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/-

Padam Kumar Khaitan
Director
(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

Annexure "ES-3"

Statement of shareholdings of the Directors and Key Managerial Personnel of Asian Hotels (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited as on 16th January, 2018

a) ASIAN HOTELS (EAST) LIMITED

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
1.	Mr. Radhe Shyam Saraf	Promoter (Non-Executive Chairman)	Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Relatives: **HUF: NA** **Spouse:** Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Son: Mr. Arun Kumar Saraf & Mr. Umesh Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	8,732 & 24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Son's wife: Mrs. Namita Saraf & Mrs. Priti Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
2.	Mrs. Ratna Devi Saraf	Promoter	Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Relatives: **HUF: NA** **Spouse:** Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Son: Mr. Arun Kumar Saraf & Mr. Umesh Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	8,732 & 24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Son's wife: Mrs. Namita Saraf & Mrs. Priti Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
3.	Mr. Arun Kumar Saraf	Joint Managing Director	Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	8,732	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Namita Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Brother: Mr. Umesh Saraf		W-120, Greater Kailash Part II, New Delhi-110048	24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
4.	Mr. Umesh Saraf	Joint Managing Director	W-120, Greater Kailash Part II, New Delhi-110048	24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Priti Saraf		W-120, Greater Kailash Part II, New Delhi-110048		Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Brother: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	8,732	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
5.	Mr. A.C. Chakrabortti	Independent Director	22/2A, Gorachand Road, Kolkata - 700014	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
6.	Mr. Padam Kumar Khaitan	Independent Director	3 Queens Park, Kolkata 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
7.	Mr. Rama Shankar Jhawar	Independent Director	Doveland Court, 29/13, Ballygunge Park Road, Kolkata - 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
8.	Ms. Rita Bhimani	Independent Director	12/4, Sunny Park Apartments, 6, Sunny Park, Kolkata - 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
9.	Mr. Saumen Chatterjee	Chief Legal Officer & Company Secretary	Flat No. S/6, 2nd Floor, Cluster-I, Block 'GA', Sector-III, Purbachal, Salt Lake City, Kolkata-700097	Nil	Holding in GJS Hotels Limited No. of Shares : 10 % of Holding: 0.000091233

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
	None of the relatives are holding / crossholding any shares.				
10.	Mr. Bimal Kumar Jhunjhunwala	CFO & Vice-President Corporate Finance	3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata-700055	Nil	Holding in GJS Hotels Limited No. of Shares :10 % of Holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Sudha Jhunjhunwala		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	126	Nil
	Daughter: Mrs. Sheetal Gheedia		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata-700055	8	Nil
	Apart from this none of the relatives have any shareholding & cross shareholding.				

b) GJS HOTELS LIMITED:

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
1.	Mr. Umesh Saraf	Director	W-120, Greater Kailash Part II, New Delhi-110048	10	Holding in Asian Hotels (East) Limited No. of Shares : 24,731, % of Holding: 0.21
	Relatives: **HUF: NA** **Spouse:** Mrs. Priti Saraf		W-120, Greater Kailash Part II, New Delhi-110048	10	Nil
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 32,84,680, % of Holding: 28.49
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 6,17,347, % of Holding: 5.36
	Brother: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	10	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08
	Apart from this none of the relatives are holding / crossholding any shares.				
2.	Mr. Padam Kumar Khaitan	Independent Director	3 Queens Park, Kolkata 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
3.	Mr. Basab Chakraborty	Independent Director	6E, Beltala Road, Kolkata 700026	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
4.	Mr. Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata 700006	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
5.	Mr. Nirod Baran Mahata	Manager	JA-1, Sec-3, Salt Lake, Kolkata-700098	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
6.	Mr. Saumen Chatterjee	Company Secretary	Flat No. S/6, 2nd Floor, Cluster-I, Block 'GA', Sector-III, Purbachal, Salt Lake City, Kolkata-700097	10	Nil
	None of the relatives are holding / crossholding any shares.				
7.	Mr. Bimal Kumar Jhunjhunwala	Chief Financial Officer	3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	10	Nil
	Relatives: **HUF: NA** **Spouse:** Mrs. Sudha Jhunjhunwala		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	Nil	Holding in Asian Hotels (East) Limited No. of Shares :126
	Daughter: Mrs. Sheetal Gheedia		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	Nil	Holding in Asian Hotels (East) Limited No. of Shares :8
	Apart from this none of the relatives have any shareholding & cross shareholding.				

c) ROBUST HOTELS PRIVATE LIMITED:

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
1.	Mr. Umesh Saraf	Director	W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 24,731, % of Holding: 0.21 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.00009123
	Relatives: **HUF: NA** **Spouse:** Mrs. Priti Saraf		W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 32,84,680, % of Holding: 28.49
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 6,17,347, % of Holding: 5.36

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
	Brother: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Apart from this none of the relatives are holding / cross holding any shares.				
2.	Mr. Avali Srinivasan	Director	5, Bethel Chedda Nagar, Mumbai - 400 089	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
3.	Mr. Arun Kumar Saraf	Director	Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Namita Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Manison, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 32,84,680, % of Holding: 28.49
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Manison, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 6,17,347, % of Holding: 5.36
	Brother: Mr. Umesh Saraf		W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 24,731, % of Holding: 0.21 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Apart from this none of the relatives are holding / crossholding any shares.				
4.	Mr. Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata 700006	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
5.	Mr. Varun Saraf	Director	6th Floor, Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Nil
	Father: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Mother: Mrs. Namita Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
6.	Mr. Soumya Saha	Director	29, Prasanna Kumar Tagore Street, Kolkata-700 006	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
7.	Mr.TN Thanikachalam	Company Secretary	AP 392, 11th east cross street, MKB Nagar, Chennai - 600 039	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
8.	Ms. Natarajan Muthulakshmi	Chief Financial Officer	1m kamarajar Thenvadal street, KK Nagar, Madurai - 625 020	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

For and on behalf of Asian Hotels (East) Limited &
GJS Hotels Limited

sd/-
Saumen Chatterjee
Chief Legal Officer &
Company Secretary

For and on behalf of Robust Hotels Private Limited

sd/-
T. N. Thanikachalam
Company Secretary

Annexure "ES-4"

Share Entitlement Report for the Reorganization of Share Capital and Debentures of Robust Hotels Private Limited under the Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective Shareholders

February 02, 2017

Prepared by:

NSBP & Co.

107, Tribhuvan Complex

Ishwar Nagar, Mathura Road

New Delhi – 110 065

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NSBP & CO. New Delhi Chartered Accountants

List of Abbreviation

Abbreviation	Description
AOA	Articles Of Association
MOA	Memorandum of Association
SOA	Scheme of Arrangement
Appointed Date	31st March, 2016
Valuation Date	31st March, 2016
BSE	Bombay Stock Exchange
CAPM	Capital Asset Pricing Model
Cr.	INR Crore
EBIT	Earnings Before Interest & Tax
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortisation
EV	Enterprise Value
AHEL/ Asian Hotels	Asian Hotels (East) Limited
RHPL/ Robust Hotels	Robust Hotels Private Limited
GJSHL/ GJS Hotels	GJS Hotels Limited
CRPS	12% Cumulative Redeemable Preference Shares issued by Robust Hotels
CNOCPS	1% Cumulative Redeemable Optionally Convertible Preference Shares issued by Robust Hotels
Unsecured NCDs	0.1% Non-Convertible Debentures issued by Robust Hotels

CCPS	1% Compulsorily Convertible Preference Shares (erstwhile 1% CRDCPS)
Securities or Financial Instruments	12% CRPS and 0.1% Unsecured NCDs to be reorganised and converted under the Scheme
ICAI	The Institute of Chartered Accountants of India
Lakh(s)	INR Lakhs
NAV	Net Asset Value
PAT	Profit After Tax
NSBP/We	NSBP & Co., Chartered Accountants
WACC	Weighted Average Cost of Capital

NSBP & Co. New Delhi Chartered Accountants

CHAPTER 1 - DISCLAIMER CLAUSE

This Share Entitlement Report ("Report") is being furnished by NSBP & Co. ("NSBP") at the request of the management of Asian Hotels (East) Limited (**"AHEL" or "Asian Hotels"**) and Robust Hotels Private Limited (**"RHPL" or "Robust Hotels"**) for determining the share entitlement ratio upon reorganisation and conversion of the 12% Cumulative Redeemable Preference Shares (**"CRPS"**) and 0.1% Unsecured Redeemable Non-Convertible Debentures (**"Unsecured NCDs"**) of Robust Hotels into Equity Shares of Robust Hotels at fair value under the proposed Scheme of Arrangement between GJS Hotels Limited (**"GJSHL" or "GJS Hotels"**), Asian Hotels, Robust Hotels and their respective shareholders. The Scheme provides for (1) demerger of Investment Division (Demerged Undertaking) of GJS Hotels to Asian Hotels and (2) reorganisation of share capital and debentures of Robust Hotels ("Scheme" or "Scheme of Arrangement"). As represented to us, Robust Hotels will become a wholly owned subsidiary of Asian Hotels consequent to demerger of the Investment Division of GJS Hotels to Asian Hotels under the Scheme. Upon such demerger, Asian Hotels would become the holder, inter alia, of the 0.1% Unsecured NCDs of Robust Hotels in addition to the 12% CRPS already held by it in Robust Hotels. In terms of the Scheme, the management of Asian Hotels and Robust Hotels (**"Management"**) would be evaluating the reorganisation and conversion of the said 0.1% Unsecured NCDs and 12% CRPS (hereinafter collectively referred to as the **"Securities"** or **"Financial Instruments"**) of Robust Hotels (**"Purpose"**). Hence, NSBP has been appointed to determine the fair and equitable share entitlement ratio for the proposed conversion. The date of valuation for this exercise is March 31, 2016 ("Valuation Date").

The Report has been prepared by NSBP from the information extracted from desk research, published Reports financial projections, and other data including terms of investments, room-nights available, actual occupancy rates, average room realization, etcetera supplied by the Management. Our agreed scope of work does not include verification of data submitted by the Management and we have fully relied upon the data provided to us.

The factual data, business details and projected financial statements have been provided by the Management. While the information provided herein is believed to be true and reliable to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information.

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The information contained herein is based on certain assumptions and Management's analysis of information available at the time the Report has been prepared. NSBP does not purport to give any representation, warranty or other assurance in relation to such information.

The Report highlights the alternative approaches to valuation and summarizes the methodologies keeping in view the circumstances of the business and arrives at the fair value for the conversion.

This Report must be considered in the above-mentioned context only and is not an advisory document for any other purpose. The Report may not be distributed, reproduced, or used, without the express written consent of NSBP for any purpose other than mentioned above. Our valuation analysis should not be construed as an investment advice and we do not express any opinion on the suitability of any investment with any company. This Report is to be read in its entirety.

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CHAPTER 2 - SCOPE OF WORK

We understand that GJS Hotels, Asian Hotels (East) Limited and Robust Hotels and their respective Members would be entering into the Scheme of Arrangement (SOA) with Appointed Date being 31st March, 2016. The Scheme is in two parts:

i. Demerger of Investment Division of GJS Hotels into Asian Hotels. In terms of the Proposed Scheme, the Investment division of GJS Hotels is to vest in Asian Hotels. As on the Appointed Date GJS Hotels held the following securities in its Investment Division:

   a. 89,64,623 1% Cumulative Redeemable Optionally Convertible Preference Shares of Robust Hotels ("CROCPS");

   b. 2,05,00,000 0.1% Unsecured Redeemable Non-Convertible Debentures of Robust Hotels ("Unsecured NCDs"); and

   c. 6,39,32,769 Equity Shares of Robust Hotels.

   Apart from above, as on the Appointed Date, Asian Hotels already held 43,00,000 12% Cumulative Redeemable Preference Shares ("CRPS") of Rs.100 each in Robust Hotels.

ii. In terms of the Scheme, out of the aforesaid securities of Robust Hotels, 1,55,00,000 0.1% Unsecured NCDs and 43,00,000 12% CRPS of Robust Hotels shall be reorganised and converted into equity shares of Robust Hotels.

It is clarified that the balance 50,00,000 Unsecured NCDs of Robust Hotels as on the Appointed Date have since been redeemed and the said 89,64,623 1% CROCPS of Robust Hotels as on the Appointed Date have since been converted into 1% Compulsorily Convertible Preference Shares ("CCPS") in the current financial year (2016-2017). However, since the same were existing as on the Appointed Date, the same have also been considered in the valuation of Robust Hotels as on the Appointed Date but are not required to be reorganised under the Scheme.

The Management of Asian Hotels and Robust Hotels is evaluating the reorganisation and conversion of 12% CRPS and 1% Unsecured NCDs of Robust Hotels, as stated in sub-paragraph (ii) above, into Equity Shares of Robust Hotels. For the said purpose NSBP & Co. has been appointed to apprise the Management on the fair value for the conversion of the said Securities held as Investments into Equity Shares of Robust Hotels as on March 31, 2016 ("Valuation Date"). Therefore, our scope of work shall include apprising the Management on the value of the Securities in consideration (as

per sub paragraphs (a) and (b) above) and the value of equity share of Robust Hotels for the purpose of determining Share Entitlement Ratio upon the conversion of the aforesaid Securities of Robust Hotels.

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Limitation

It may be noted that valuation is a highly subjective exercise and the opinion on valuation may differ from valuer to valuer depending on the individual perception of the attendant circumstances. At best, it is an expression of opinion or a recommendation based on certain assumptions. Please note that:-

a) Valuation does not include the auditing of financial data provided by Management, and therefore we do not take any responsibility for its accuracy and completeness.

b) Valuation should not be considered as an opinion on the achievability of financial projections either mentioned in, or relied upon for this Report.

This Report is to be considered only for the purpose of determining the fair value of the Securities for its conversion into Equity Shares.

While all reasonable care has been taken to ensure that the advice given in the Report is fair and equitable for the above said purpose, neither NSBP nor its constituents including its partners & others shall in any way be responsible for any inadvertent error or error of judgment and any such inaccuracies in this Report that may have crept in or for any error in computing fair value of the Securities.

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CHAPTER 3 - DATA RELIED UPON

For the purpose of this Report, we have relied upon the data, facts, information, documents extracted from desk research, published Reports, and other data provided by the Management:

We have relied upon the following Management certified information:

1. Draft Scheme of Arrangement between GJS Hotels, Asian Hotels, and Robust Hotels and their respective shareholders for demerger, reorganisation and conversion as aforesaid;
2. Audited Balance Sheet of Asian Hotels, GJS Hotels, and Robust Hotels for the FY 2015-16;
3. Assets Valuation Reports shared with us by the management and issued by M/s. Sreenidhi Valuation Consultancy Services, Chennai dated 10th May 2016 in respect of Land, Building, Furniture/ Interior Decorations (excluding Arts), and Machinery of Robust Hotels..
4. Unaudited provisional financials of Robust hotels for the half year ended 30th September, 2017
5. Projection of the hotel business of Robust Hotels up to 2026-27
6. Terms of Issue of Investments of the 12% Cumulative Redeemable Preference Shares;
7. Terms of Issue of Investments of the 0.1% Unsecured Non-Convertible Debentures;
8. Terms of Issue of Investments of the 1% Cumulative Redeemable Optionally Convertible Preference Shares;
9. Board Resolutions of GJS Hotels dated 10th February 2016 and 7th September 2016 and Board Resolutions of Robust Hotels dated 21st May 2016 and 21st September 2016 for alteration of nature of 1% Cumulative Redeemable Optionally Convertible Preference Shares issued by Robust Hotels into 1% Compulsorily Convertible Preference Shares of Robust Hotels
10. Data related to issue and transfer of the Securities, and history of payment of dividends/ interests by the issuer of the Securities;
11. Other facts and data considered necessary to arrive at a fair value

We have also relied upon other written/ verbal information given to us by the Management during the course of our exercise and meetings held. Some of the data required for the purpose of this exercise has been taken from publicly available sources from internet believed to be reliable and true.

CHAPTER 4 - BACKGROUND

A. Company Background:

1. Asian Hotels (East) Limited

Asian Hotels is in the business sector of hospitality. The equity shares of Asian Hotels are listed on Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). Asian Hotels was originally incorporated with the name Vardhman Hotels Pvt. Limited w.e.f. 8th January, 2007. Vardhman Hotels, being a wholly owned subsidiary of Asian Hotels Limited and in pursuance of a Scheme of Arrangement (Appointed Date – 31st October, 2009), acquired from Asian Hotels Limited a 5-star hotel in Kolkata i.e. Hyatt Regency Kolkata following the demerger envisaged in the said Scheme. Upon the scheme becoming effective the name of Vardhman Hotels Pvt. Limited was changed to Asian Hotels w.e.f. 11th February, 2010

Asian Hotels Income Statement (Standalone) **(INR Cr.)**

Particulars	31-Mar-16
Revenue from Operations	98.09
Other Income	9
Total Revenue	**107.09**
EBITDA	31.69
PAT/ (Loss)	**8.19**

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Asian Hotels Balance sheet (Standalone) (INR Cr.)

Particulars	31-Mar-16
Equity and Liabilities	
Shareholder's Func	853.05
Non-Current Liabilities	19.13
Current Liabilities	155.89
TOTAL	**1028.07**
Assets	
Non-Current Assets	847.76
Current Assets	180.31
TOTAL	**1028.07**

Asian Hotels Latest Shareholding Pattern as on 1st December, 2016

Particulars	No. of Shares	% holding
Promoter & Promoter Group	75,66,120	65.63%
Public	39,61,677	34.37%
TOTAL	**1,15,27,797**	**100.00%**

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Asian Hotels Schedule of Contingent Liabilities as on 31st March, 2016

S. No	Particulars	Amount (Cr.)
1.	Corporate Guarantee to IDBI bank for Robust Hotels	35.0
2.	LC issued by IDBI Bank Ltd in favor of West Bengal Electricity Distribution Company Limited	0.8
3.	Service Tax under the Finance Act, 1994 pertaining to FY 2003 to Jan-2013	4.4
4.	ESIC under Employee's State Insurance Act 1948 pertaining to FY 2004-05	0.2
5.	Income Tax under the Income Tax Act, 1961 for the FY 2011-12 (Asian Hotels has preferred an appeal)	1.7
6.	Income Tax under the Income Tax Act, 1961 for the FY 2012-13 (Asian Hotels has preferred an appeal)	1.2
7.	Others	0.4

2. Robust Hotels Private Limited

Robust Hotels was incorporated in January 2007 in the state of Tamil Nadu. Robust Hotels is also into the business of hospitality which is registering growth across the country and the same is being reflected in the occupancy of the rooms. Robust Hotels operates Hotel Hyatt Regency, Chennai. Robust Hotels is presently a subsidiary of GJS Hotels and a step down subsidiary of Asian Hotels, which is the parent company of GJS Hotels. Consequent to demerger of Investment Division of GJS Hotels to Asian Hotels, Robust Hotels will become a wholly owned subsidiary of Asian Hotels.

Robust Hotels Latest Shareholding Pattern, as on 1st December, 2016

Particulars	No. of Shares	% holding
Asian Hotels	30,010,000	32%
GJS Hotels	63,932,769	68%
TOTAL	**93,942,769**	**100%**

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Robust Hotels Income Statement **(INR Cr.)**

Particulars	31-Mar-16
Revenue from Operations	94.64
Other Income	0.43
Total Revenue	**95.07**
EBITDA	25.17
PAT/ (Loss)	**(21.67)**

Robust Hotels Balance sheet **(INR Cr.)**

Particulars	31-Mar-16
Equity and Liabilities	
Shareholder's Fund	287.66
Non-Current Liabilities	345.87
Current Liabilities	46.64
TOTAL	**680.17**
Assets	
Non-Current Assets	614.41
Current Assets	65.76
TOTAL	**680.17**

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B. Indian Hospitality Industry:

Demand of Hospitality Industry largely depends on business travelers but tourist traffic is also on the rise. Demand in the Indian Hospitality industry normally spurts in the peak season between November and March. As per a IBEF report, nearly 7.1 million foreign tourists arrived in India in 2015 (from January to November). Foreign Tourists arrival is expected to grow at a CAGR of 7.1% during 2005-25. Rating agency ICRA Ltd. estimates the revenue growth of Indian hotel industry strengthening to 9-11 per cent.

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, eco-tourism, filmography, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. The launch of several branding and marketing initiatives by the Government of India such as Incredible India! and Athiti Devo Bhava have provided a focused impetus to the growth.

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Source:

http://www.ibef.org/

https://www.equitymaster.com

http://www.icra.in/

CHAPTER 5 - VALUATION APPROACHES

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation depends upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

Various Valuation approaches are explained below:

Net Asset Value

This methodology is likely to be appropriate for a business whose value is driven mainly from the underlying value of its assets rather than its earnings, such as property holding and investment business. This method may also be appropriate for a business that is not making an adequate return on assets and for which a greater value can be realized by liquidating the business and selling its assets. This methodology can also assume the amount which can be realized by liquidating the business by selling off all the tangible assets of a company and paying off the liabilities.

Some of the most common techniques of valuation considered under this approach are to value a business enterprise on the following basis -

1. Book value: This is simply a value based upon the accounting books of the business. In simple term, Assets less liabilities equals the owners' equity, which is the "Book Value" of the business.
2. Adjusted book value: This method involves reviewing each and every assets and liabilities on the company's balance sheet and adjusting it to reflect its estimated market value. The unrecorded and contingent liabilities are also considered at their fairly estimated value.
3. Replacement value: The asset valuation methodology essentially estimates the cost of replacing the tangible assets of the business taking into account the market value of various assets or the expenditure required to create the infrastructure more or less similar to that of a company being valued. Since the replacement methodology assumes the value of business as if a new business is set, this methodology may not be relevant in a going concern.

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Discounted Cash Flow

1. DCF methodology expresses the present value of a business as a function of its future cash earnings capacity. This methodology involves estimation of post-tax cash flows for the projected period, after taking into account the business's requirement of reinvestment in the terms of capital expenditure and incremental working capital. The value of a business so measured is discounted to the present time at an appropriate discount rate. This method is used to determine the present value of a business on a going concern assumption.
2. When valuing a business on a DCF basis, the objective is to determine a net present value of the cash flows arising from the business over a future select period of time, which is called the explicit forecast period.
3. Under the DCF methodology, value must be placed both on the explicit cash flows as stated above, and the ongoing cash flows a company will generate after the explicit forecast period known as terminal value.
4. The discount rate applied to estimate the present value of free cash flows, is taken at the "Weighted Average Cost of Capital" (WACC).The principal elements of WACC are cost of equity (which is the desired rate of return for an equity investor given the risk profile of the company and associated cash flows), cost of preference, the post-tax cost of debt and the current capital structure of the company (a function of debt to equity to Preference ratio).
5. Value obtained by using DCF method gives us the Enterprise Value; and adjustment for the loans and Preference Capital as on the valuation date gives us the Equity Value.
6. This method is generally used when there is reasonable certainty on the timing, quantum and quality of the cash flows, which has its close coupling with the underlying assets (e.g. in case of a manufacturing company). It is the most commonly used valuation technique, and is widely accepted by valuers because of its intrinsic merits.

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THE MARKET APPROACH (RELATIVE VALUATION APPROACH):

Market value is also known as extrinsic value. The basis of market value is the assumption that if comparable Asset (or property) has fetched a certain price, then the subject asset (or property) will realize a price something near to it. There is a significant philosophical difference between discounted cash flow and relative valuation. In discounted cash flow valuation, we are attempting to estimate the intrinsic value of an asset based upon its capacity to generate cash flows in the future. In relative valuation, we are making a judgment on how much an asset is worth by looking at what the market is paying for similar assets. If the market is correct, on average, in the way it prices assets, discounted cash flow and relative valuations may converge. If, however, the market is systematically over pricing or under-pricing a group of assets or an entire sector, discounted cash flow valuations can deviate from relative valuations.

This method involves reviewing transactions for companies that are in the same or similar line of business as the company being valued and then applying the relevant pricing multiples to the subject company to determine its value. The method might involve private company transactions, public company transactions, as well as public company valuation measures using current share market data. The theory behind this approach is that valuation measures of similar companies that have been sold in arms-length transactions should represent a good proxy for the specific company being valued. Depending on the source of data available and the underlying company being valued, a variety of valuation measures might be used including Enterprise Value (EV) to Sales, EV to EBITDA, EV to EBIT, Price to Earnings, etc. Adjustments are commonly made to these valuation measures before applying to the subject company to ensure an "apples-to-apples" comparison. One or many comparable sales might be considered under this method depending on the data available and the degree of similarity to the company being valued.

Also, the equity value of the company can be derived by multiplying the market price (or weighted average market price) as on the appointed date with the number of equity share as on that date. The aforesaid derived value is also known as Market Capitalization.

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CHAPTER 6 - VALUATION METHODOLOGY ADOPTED – FINANCIAL INSTRUMENTS

The value of any asset, real or financial, is equal to the present value of cash flows expected from it. Hence determining the value of the preference shares and debentures shall require

- An estimate of expected cash flows, and
- An estimate of required return;

In the present case, we have determined the fair value of the 12% Cumulative Redeemable Preference Shares and 0.1% Unsecured Non-Convertible Debentures by applying Discounted Cash Flow Method, since the future Cash flows from these Securities can be estimated to a reasonable extent.

Debt instruments and Cumulative Preference Shares promise to pay a stipulated stream of cash flows. This generally comprises of the periodic interests or dividends payment and the principal payment at the time of maturity.

Since the Cumulative preference shares promise to pay/ accumulate dividends irrespective of the financial performance of a company in a given year, these are considered to be carrying lesser risk as compared to their counterparts i.e. Non- Cumulative Preference shares. This has also been highlighted by Para 8.4 on Page 59 of ICAI Technical Guide on Valuation, 2009 Edition:-

"8.4 (a) *Preference Shares may be cumulative preference share. In such case, the risk involved is still lower, with a corresponding effect on the rate of capitalization. In cases where there is uncertainty of future dividends, this is an important right and a preference share not carrying this right will be valued at a substantially lower figure."*

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The value of the 12% Cumulative Redeemable Preference Shares and 0.1 % Unsecured Non-Convertible Debentures, keeping in view the aforementioned aspects has been calculated based on certain assumptions and terms of investments provided by the Management, which are as given below –

1. **12% Cumulative Redeemable Preference Shares ("CRPS")**

Asian Hotels had invested in 12% Cumulative Redeemable Preference Shares of Robust Hotels. These preference shares of face value of Rs. 43 crores were acquired from JP Morgan at Rs. 61.53 crores (approx.) in the year 2010-11. These were initially issued in the year 2008-09 to Citicorp Finance India Limited in the year 2008-09. The CRPS are redeemable at a premium of 10 % per annum. We understand from Management's representation that till date no dividend has been paid by Robust Hotels (Dividend cumulated till 31st March, 2016 is Rs. 39,07,46,301/-).

i. Face Value of Security

43,00,000 12% cumulative Redeemable Preference Shares of Rs. 100/- each i.e. Face Value equal to Rs. 43 crores;

ii. Cash Flow to the Security Holder

Period: As per Management representation and from past records, Robust Hotels has extended the tenure of redemption to 03rd September, 2028. Hence, the total period for the cash flows (i.e. dividends and redemption premium) as per the terms of investments and Management representation from the valuation date i.e. March 31, 2016 is taken till September 03, 2028. The Securities were initially issued on September 04, 2008;

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iii. Terminal Value

The terminal value of the 12% Cumulative Redeemable Preference Shares has been taken as the principal amount and the 10% Premium on redemption calculated from September, 2008 to September, 2028.

Value of premium on redemption taken at appropriate Discounting factor comes at Rs. 21.04 crores (approximately);

It is clarified that arrears of dividend accumulated on the 12% Cumulative Redeemable Preference Shares as on 31st March 2016 have also been considered and included in the valuation.

iv. Discounting Factor

In determining the present value of the cash flows that are available to holder of 12% CRPS, the discount rate used is 12% i.e. the dividend rate. This reflects the opportunity cost of the holder i.e. the post-tax expectation of the holder of these instruments. The 12% discounting rate has been used, considering the relative low risk associated due to the feature of Cumulative Dividends being attached with the financial instrument.

Therefore, on the basis of above mentioned factors, the Fair Value as on 31st March, 2016 of the 12% Cumulative Redeemable Preference Shares as per DCF Method works out to Rs. 64.10 crores (approximately)

2. 0.1% Unsecured Redeemable Non-Convertible Debentures (Unsecured NCDs)

GJS Hotels had invested in 0.1% Unsecured Redeemable Non-Convertible Debentures of Rs.100 (Unsecured NCDs) each in Robust Hotels amounting to Rs. 205 crores, which consequent to the proposed demerger shall stand vested in Asian Hotels. Interest outstanding as on March 31, 2016 is Rs. 18.45 lacs.

i. **Face Value of Security**

2.05 crores 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each i.e. Rs. 205 crores

ii. **Cash Flow to the Security Holder**

Period: The total period for the cash flows (i.e. interest) from the valuation date i.e. March 31, 2016 taken as per the terms of investments is 9 years i.e. till March 31, 2025

iii. **Terminal Value**

The terminal value of the 0.1% Unsecured NCDs has been taken as the principal amount to be repaid upon maturity of the said security.

iv. **Discounting Factor**

In determining the present value of the cash flows that are available to holder of 0.1% NCDs, the discount rate used is 8.4%. This reflects the opportunity cost of the holder i.e. how much post-tax return a holder of the said Securities would expect from such Securities.

Therefore, on the basis of above mentioned factors, the Fair Value as on 31st March, 2016 of the 0.1% Unsecured Non-Convertible Debentures as per DCF Method works out to Rs. 100.62 crores

Therefore, as per the above calculations, the Fair Value as on 31st March, 2016 of the Securities in Consideration i.e. 12% CRPS and 0.1% unsecured NCDs, according to the method detailed above, works out to Rs. 164.72 crores (approximately).

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CHAPTER 7 – VALUATION METHODOLOGY ADOPTED – ROBUST HOTELS PRIVATE LIMITED

The proposed transaction in the present case between Asian Hotels and Robust Hotels has been valued on the basis of arm's length price between Asian Hotels and Robust Hotels. The value of the hotel business of Robust Hotels has been ascertained using average of Discounted Cash Flow method and Net Asset Value method, also keeping the control aspect consideration involved in view. Net Asset Value has also been taken for the purpose of valuation, considering that to any prospective buyer in a hotel business, which also owns the hotel property the value of property is as important as the income that can be earned from it.

The management of the hotel is with the Robust Hotels. The average value of the Hotel business of Robust Hotels has been ascertained using Discounted Cash Flow method and Net Asset Value method,

1. **Discounted Cash Flow Method:**

   As per "**The Valuation of Company shares and business**" by Adamson & Adamson, 6th edition published in 1980 in McCathie's case, it was decided as under –

   "A Purchaser of shares in a company which is a going concern does not usually purchase them with a view to attempting to wind up the Company.... The real value of the share will depend more on the profits which the Company has been making and should be capable of making, having regard to its nature of business..."

   The value of Robust Hotels as per the Discounted Cash Flow Method has been calculated based on assumptions and business plans provided by the Management, using Free cash flow to Firm approach, and subsequently reducing the Fair Value of Non-Equity claims in Robust Hotels to arrive at Equity Value of Robust Hotels.

   This approach has been substantiated in 6th Chapter of Damodaran on Valuation, 2nd Edition (Page – 209) :

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"... The Value of Equity can be extracted from the value of firm by subtracting the market value of outstanding debt"

"In theory, the value of equity obtained from the firm valuation and equity valuation approaches should be the same if you make consistent assumptions about financial leverage"

Calculation using the above mentioned approach is as given below

a) **Free Cash Flow**

Explicit Period: FY 2016-17 to FY 2026-27

Perpetual value: The perpetuity value has been calculated on the basis of financials of FY 26 -27.

It is substantiated from the quotation from Page 7 & 8 of "Technical guide on Share Valuation, by The Institute of Chartered Accountants of India, Published in Year 2009 -

"Cash flow should reasonably capture the growth prospects and earnings capability of a company. The forecasted period should necessarily cover the entire business cycle of a company"

b) **Discounting Factor – Weighted Average Cost of Capital (WACC)**

In determining the present value of the cash flows that are available to firm, the discount rate used is cost of capital of the entity, i.e. WACC. This reflects the opportunity cost of the company. WACC represents the Industry's Cost of Capital i.e. what shall be the Average cost of capital for an industry specific company in a **Perfect Market.** Robust Hotels has issued to its holding company (G.S Hotels), Debentures at 0.1% Coupon rate which is substantially lower than market rate. Considering that if in future the shareholders intend to sell the Robust stake in the company to a third party, they would require such capital be repaid as well, we have taken in our workings normalized cost of capital.

Hence, it has been considered important to discount the capital employed at normalized rates to give a true and fair value to Robust Hotels. WACC is arrived at by using the following formula:

WACC = (Cost of Equity * Shareholders Funds/ Total Funds) +

(Cost of Preference * Preference Share Capital/ Total Funds) +

(Cost of Interest Bearing Debt * Interest Bearing Debt/ Total Funds)

Note: Capital Employed i.e. Shareholders' Funds, Preference Share Capital, and Interest Bearing Debt denotes the carrying values as appearing in the balance sheet on the valuation date, including securities premium received thereon, or excluding discount given on issue (if any).

c) **Cost of Equity**

The cost of equity has been determined by using Capital Asset Pricing model (CAPM). This has been computed as follows:

Cost of equity = Rf + (Rm – Rf) (Beta)

Where,

Rf denotes risk free rate of return as per the "Public Debt Management Quarterly Report" for the quarter ending March 31, 2016 which is **7.46%.**

Rm denotes return on diversified market portfolio return. Rm is considered **16.12%** which has been the market rate of return on Bombay Stock Exchange from April 1, 1979 to March 31, 2016.

Beta represents the systematic risk associated with investments. It is assumed that for shareholders the substitute opportunity for investment would be investment in SENSEX. Hence, we have assumed the shareholders' expectation equal to the market return (based on the return on BSE from 1979 till date).

The average beta for major listed hospitality sector companies in India is approximately 0.86, and considering that Robust Hotels has not yet fully stabilized its operations and Robust Hotels is a single hotel, unlisted company, and the age of property being relatively new, we have considered Beta as 1.

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The Cost of equity (ke) comes out to be 16.12%

d) **Cost of Debt**

The cost of interest bearing debt has been computed considering post tax cost of debt of the Robust Hotels. Robust Hotels has outstanding as on 31st March, 2016 0.1% Debentures of Rs. 205 crores, and Rs. 148.24 crores, including outstanding interest on the principal which is approximately Rs. 3 crores. Term Loan raised from HDFC Bank at 12.40%. However, considering that any rational long term investor in the hospitality industry, in an arm's length transaction investing in Unsecured Debentures of a company would expect a higher rate of return, we have taken cost of debentures to be at 12%.

Based on above figures and assumption, **effective post-tax cost of term loan and debentures works out to 8.11% and 7.85% respectively.**

e) **Cost of Preference Capital**

Robust Hotels had issued two classes of Preference Capital:

- 1% Cumulative Redeemable Optionally Convertible Preference Shares to GJS Hotels, and
- 12% Cumulative Redeemable Preference Shares to Asian Hotels;

1. The cost of Preference Capital has been computed considering Post - CDT Cost of Preference Capital of Robust Hotels. Robust Hotels has issued preference shares to Asian Hotels carrying dividend rate of 12%. Considering normal expectation of any long term rational investor investing in an arm's length transaction in the Preference Share Capital of a company in the hotel industry, we have taken cost of preference shares to be as the dividend rate i.e. 12% and an effect of DDT has been grossed up thereupon.

   Based on these assumptions and figures, **effective post-CDT cost of 12% preference shares works out to 14.44%.**

2. GJS Hotels had invested in 1% Cumulative Redeemable Optionally Convertible Preference Shares amounting to Rs.192.74 crores in FY 2013-14 and FY 2014-2015 in Robust Hotels. It has been represented to us that management of GJS Hotels and Robust Hotels vide Board Resolutions dated 10th February, 2016 and 21st May 2016 respectively had resolved to convert this investment from Cumulative

Receemable Optionally Convertible Preference Shares to Compulsorily Convertible Preference Shares ("CCPS"). However, the conversion was not executed within FY 2015-16. Such conversion was effected on 1st October 2016.

As resolved earlier, on October 1st, 2016, the management of GJS Hotels and Robust Hotels have, pursuant to Sections 48 and Section 55 of Companies Act 2013 entered into a mutual agreement to convert the nature of Optionally Convertible Preference Shares to Compulsorily Convertible Preference Shares. Further, the dividend accumulated till date of conversion into CCPS has been waived off as mutually agreed. As such, the investment of GJS Hotels of Rs. 192,73,93,945/- in 89,64,623 1% CROCPS of Rs. 10/- will get converted into 6,02,31,061 number of equity shares of face value of Rs. 10 each at a conversion price of Rs.32/- per share in the current financial year, i.e 2016-2017.

Since it is evident that the Cumulative Redeemable Optionally Convertible Preference Shares are in true form Equity Share Capital and were not to be redeemed but converted into equity capital, as above, for the purpose of calculation of WACC, Cost of 1% Preference Capital has been taken equivalent to Cost of Equity Share Capital i.e. **16.12%** .

f) **Cost of Capital**

The WACC, considering the Fund Structure of Robust Hotels as on March 31, 2016, has been worked out to be **11.53%**, which has been used for the purpose of the valuation.

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g) **Value in Perpetuity**

The perpetuity value is the value of the business beyond the explicit forecast period. The last year free cash flows (FY 2026-27) have been considered for the purpose of computing perpetual value. A growth rate of 3% has been considered in the perpetuity for the purpose of computing perpetuity value.

Therefore, on the basis of above mentioned factors, the Enterprise Value of Robust Hotels as per DCF Method works out to Rs. 542.51crores as on 31st March, 2016

2. **Net Asset Value approach:**

The second approach which has been used to measure the fair value of Robust Hotels is the Net Asset Value (NAV) method.

Hotel Industry is a highly asset heavy sector, therefore the other approach which has been used to value Robust Hotels is the Net Asset Method. Further, Real Estate which is a major component of the total assets of a hotel business, being in a good location has the rental earning capacity or capital appreciation prospects with possibility of more hotels opening up in the vicinity in the near future. Hence, in the given scenario of acquisition of 100% control value in a hospitality sector company, it has been considered vital to take into account the fair value of the assets as well. Hence, all the assets pertaining to Robust Hotels have been valued as per the asset valuation report and the carrying values in the balance sheet and as on 31st March 2016, as provided by the Management; the liabilities have been taken as per the carrying amounts in the balance sheet of Robust Hotels as on 31st March, 2016

Therefore, on the basis of the Adjusted Net Asset Value method, the Value of Robust Hotels works out to Rs. 711.42 crores (approximately)

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Considering the fact that the Hotel Business is intended to be continued on a 'going concern' basis and that the hotel industry is an asset heavy sector and any person acquiring shares in Robust Hotels will also end up acquiring controlling interest over the huge pool of assets, we have considered it appropriate to give weightage of '1' to the value determined using 'Discounted Cash Flow approach' and weightage of '1' to value determined using 'Net Assets Value approach'.

The Average Enterprise value of Robust Hotels works out to be Rs. 626.97 crores (approximately). Accordingly, the Equity Value i.e. value only to the shareholders of the Robust Hotels which is arrived at after deducting from the above derived enterprise value, the fair value of Non-Equity Claim i.e. 12% preference capital, 0.1% debentures and Loans comes at Rs. 314.00/- crores (Refer Chapter – 6 for values of 12% Preference Shares and Debentures)

Given the true nature of 1% CROCPS being Equity Share Capital, we have taken the value of Robust Hotels on fully diluted equity shareholding bases. As on 31st March, 2016 Robust Hotels has total number of issued and paid up equity shares outstanding of 9,39,42,769 and equivalent number of preference shares to be converted into equity as per terms highlighted above stand at 6,02,31,061. The total number of diluted equity shares thus stands at 15,41,73,830.

Therefore, estimated diluted equity value per share of Robust Hotels comes at Rs. 20.37/- approximately, rounded off to Rs. 20/- per share.

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CHAPTER 8 – VALUATION RECOMMENDATION

On the basis of our valuation estimate and derivation in accordance with preceding chapters, we are of the opinion that the share entitlement ratio as per below table of equity shares of face value Rs. 10/- each and at Premium of Rs. 10/- (total value – Rs. 20 per share, refer chapter 7 above) per share of Robust Hotels is fair and reasonable:

Particulars	Value (In Rs. Crores)	Number of units	Value Per unit	Share Entitlemer (per 100 units)
12% Cumulative Redeemable Preference Shares	64.10	43,00,000	149.00	745
0.1% Unsecured Redeemable Non-Convertible Debentures	100.62	2,05,00,000	49.09	245

Signatory – Mr. Praveen Verma
M. No. – 504686
(ICAI)

Authorized Signatory

For NSBP and Co.

Chartered Accountants

Membership No: 001075N

NSBP & CO. New Delhi Chartered Accountants

Date: 2nd February, 2017

Place: New Delhi

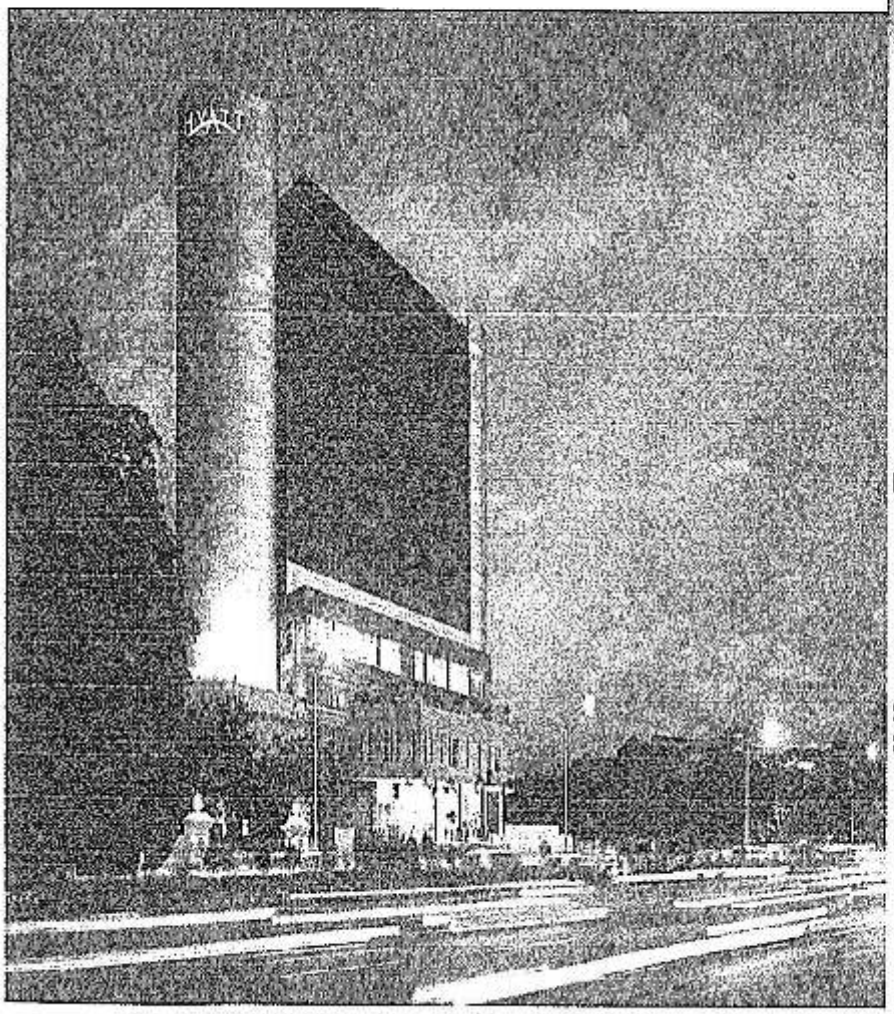
OPINION ON MARKET VALUE

For

M/s. Robust Hotels Private Limited, Chennai

In respect of property located in

No 365, Anna Salai, Teynampet, Chennai—600 018



Prepared by

Sreenidhi Valuation Consultancy Services, Chennai.

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EXECUTIVE SUMMARY

SUB: Opinion on the Market value of the building along with the fixtures available as on 16 th May 2016 at No 365, Anna Salai, Teynampet, Chennai-600018.

On instructions from M/s. Robust Hotels Private Ltd, Chennai ("Client"), this evaluation exercise is undertaken in respect of the Land and Building of the "Hotel Hyatt Residency" located at No 365, Anna Salai, Teynampet, Chennai—600 018, Tamil Nadu, IN ("Subject property) along with the machineries and fixtures installed / erected therein and excluding the art work done in the hotel.

The scope of the engagement, as defined by the Client requires a realistic assessment of the present market value of the Immovables and movables comprised in the Subject property under the comparable method. It excludes compliance study and evaluation of deviations, if any. The Income Discounting approach has not been adopted for want of data.

The ownership over the land of an undivided share of 1.35 Lakh Sqft out of 1.79 lakh Sqft along with partly finished structure of an extent of 6.31 Lakh Sqft and also the movables including machineries erected therein were acquired by M/s Robust Hotels Pvt Ltd vide Sale Deed document no 752/2007 dated 5th Jul 2007 ("Title document").

It is understood that after purchasing the property on as-is-where-is condition, M/s Robust Hotel Pvt Ltd under took the finishing works and duly obtained the Completion Certificate from CMDA vide ref no C.C.No.EC/South/105/2011 Dtd 25/08/2011 for Double basement + Ground floor + 15 Floors with a subject to condition that the security deposit shall not be refunded in the view of the Cited additional area constructed in the top most storey not covered in the approved plan. Direction to pay the development charges for the additional area constructed in the top most floor. We are not updated on the present status of the aforesaid proceedings.

Key Pointers:

The property is located in one of the most commercially prominent location viz Teynampet.

The Scope of our engagement is for estimating the realistic market value of the Land, Structure and the machineries and fixtures comprised in the Subject Hotel . This opinion repot of assessment and evaluation is for the consumption of client and its holding company only .

The Land Valuation, as defined by the scope has been conducted under the Sale Comparable Method and excludes all other methods including Income Discounting method and the Deviation & risk analysis.

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We have adopted the Comparable method for estimating the Land value and Depreciated Replacement value for the Structure.

With regard to the Land valuation, we have considered the Un-divided share of land as one single land parcel and accordingly arrived at the value.

We are informed that though the shell of the property was completed as early as 1998 itself, the construction was stalled owing to financial reasons. The overall construction was eventually completed only in 2007 and the same has been considered as the year of completion for our valuation purposes.

With regard to Machineries, We have relied upon the data provided by the client to estimate the make, model and age of the machines. We have not perused the invoices of these machines.

As most of the machineries are more than a decade old, their technology platforms stands replaced with newer versions leaving the existing platforms redundant. For such machineries, we have attempted to arrive at a reasonable utility value for the machinery & its technology based on comparable sale instances in the recent past. We have extensively relied upon the data available over the internet while valuing of these machineries.

With regard to the Fixtures, we have largely relied upon the data furnished by the Management. Few items were verified on a random sampling basis and not material discrepancies were observed.

For Sreenidhi Valuation Consultancy Services
For SREENIDHI VALUATION CONSULTANCY SERVICES

Authorized Signatory Authorised Signatory

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General Terms of Appointment & Disclosures

Limitations on Liability

No claim arising out of or in connection with this opinion report may be brought against any member, employee, Partners, or consultant of Sreenidhi Valuation Consultancy Services

Legal parameters of the property

It is assumed that Owners have clear and marketable title to the property for its development. We have carried out legal due diligence and have not checked the legal aspects of the property. We also recommend that the documents provided to us are subjected to formal legal inspection in order to ensure that there are no elements, restriction or charges contained on the property.

Basis of this report

Primary source of information for this report is documents /Information provided by the client and site visit conducted by our executive Mr. Degalisan on 5 th May 2016.

General Assumptions & Disclaimers

1. In preparation of this report, we have assumed that documents/information provided by the client is materially correct & true in all respects.

   We have assumed that all the constructed structures and proposed construction is/will be free from harmful materials and/or techniques. Our analysis is on the basis that no such materials or techniques have been used.

3. For the purpose of this report we have assumed that the property is not subject to environmental contamination. However, as we are not experts in this field, we recommend that an appropriate consultant may be engaged to confirm our assumptions. If the subsequent investigation identifies any environmental contamination on the site, our report may require revision.

4. We are unaware of any government planning or other such matters that might affect the property other than any already mentioned. However, as no specific enquiries have been made we cannot confirm that the property is unaffected.

5. The land area and the built up area is considered as per the Deed of transfer .

6. It is assumed that the owners of the land will obtain all the statutory requirements for the functioning hotel as conceived.

7. At the time of this exercise, we have relied up on the data supplied by the client, land area as per the documents made available and are assumed to be true and accurate. We do not take any responsibility for inaccurate data furnished by the client and other related third parties.

8. No structural survey, geo physical survey and environmental assessment is carried out, as they are out or scope of this exercise.

9. This Opinion report on market value of the subject property is for the aforesaid purpose only and the same is not to be shared for any other purpose without written communication to M/s. Sreenidhi Valuation Consultancy Services.

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Client Profile

Name	M/s. Robust Hotels Private Ltd.,
About the developer	M/s. Robust hotels Pvt ltd is a group company of M/s. Saraf Hotel Enterprises. Hyatt Regency is the hotel located in Chennai. Hyatt Regency - Chennai awarded as 'Best Construction & Design in India' by International Hotel Awards.

SOME OF THE FEW OTHER HOTELS OF M/s. SARAF HOTEL ENTERPRISES		
S.No	**Hotel Name**	**Location**
1	Yak & Yeti	Kathmandu
2	Hyatt Regency Kathmandu	Kathmandu
3	The Grand	New Delhi
4	Hyatt Regency	Kolkatta
5	Grand Hyatt	Mumbai
6	Hyatt	Raipur
7	Hyatt Place	Hampi
8	Hyatt Regency	Ahmedabad

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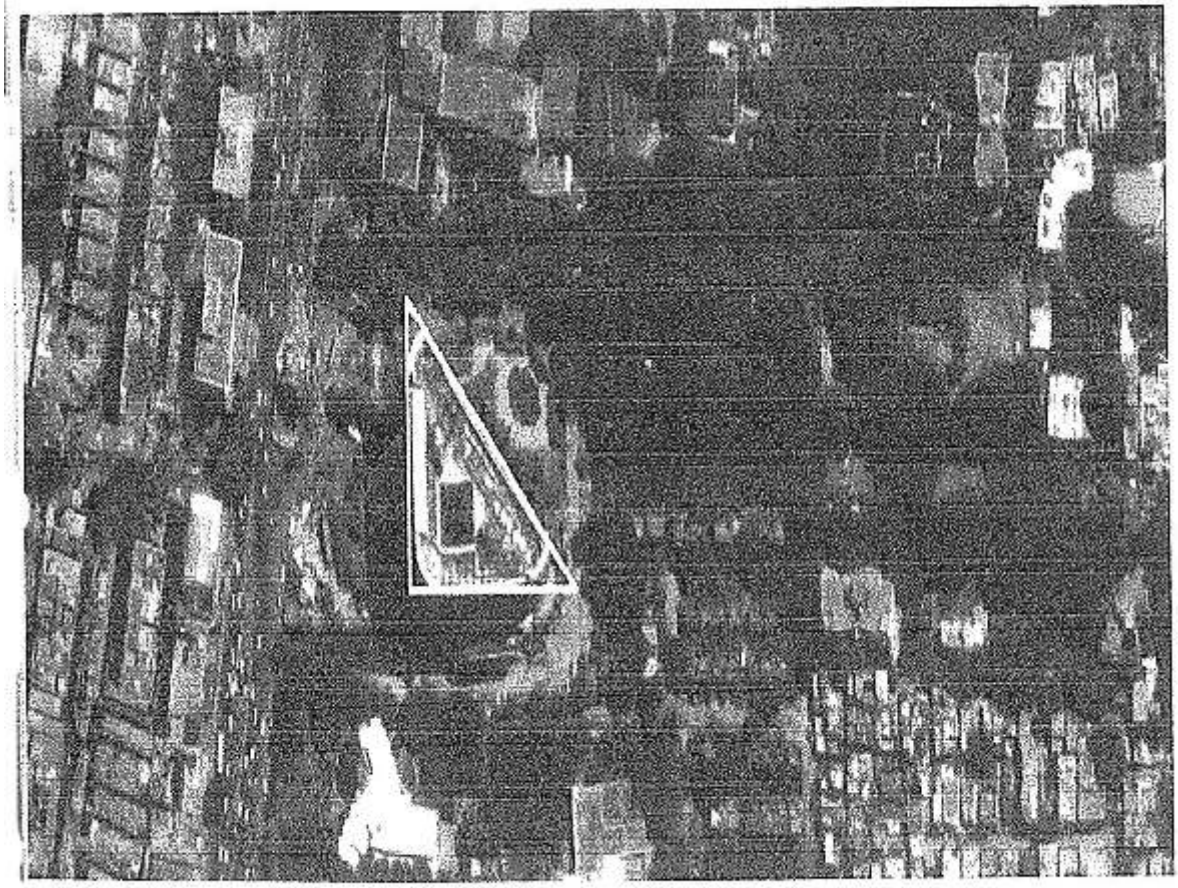
HOTEL INFO	
Hotel Name	Hyatt Regency
Address	365, Anna Salai, Teynampet, Chennai 600018 , Tami Nadu, India
R. Survey Numbers	No 1400, of Mylapore village, Collector certificate no. 732
Co-ordinates	13.042829, 80.248280
Structure Specs	Double Basement + Ground + 15 Floors.
Facilities	Swimming Pool and Kids Pool, Spa, Fitness center, Valet Parking, Airport transfers, Foreign Exchang, Travel desk services, restaurants, Business Centre, Meeting spaces, Bar Etc.,
Age of the Building	10 Yrs (As reported)
Estimated balance life	50 Yrs
Tenanted or Self Occupied	Self Occupied
Tenure of land	Freehold



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Property Description	
Boundaries	**As per Site**
North	Buildings and Land
South	Road
East	Buildings and Land
West	Road
Shape	Irregular
Entrance Road	Anna Salai (Western Boundary)
Owner Name	M/s. Robust Hotels Private Limited.,
Infrastructure Sources	
Water	Corporation water
Power/Electricity	Tamil Nadu Electricity board
Sewerage	CMWSSB

LAND DETAILS :

As per the deed of transfer vide document no 752/2007 dtd 5th Jul 2007 ("Title document") , subject property land is owned by M/s. Robust Hotels Pvt Ltd ("Owners"). The land extent of the subject property is conveyed as Un divided share to the extent of 1,35,294 Sq.ft out of 1,79,483 Sq.ft.

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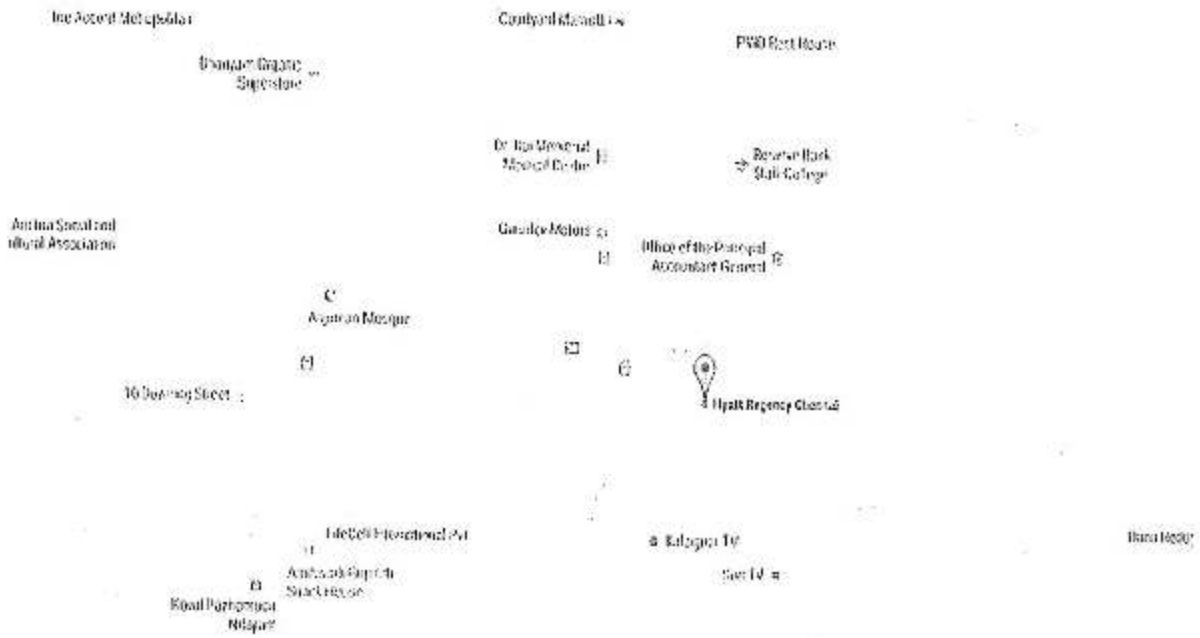
Property Location and Proximity



Distance from Major Connectivity Points	
Chennai International Airport	15 Kms
Chennai Central Railway Station	9 Kms
Koyambedu CMBT Bus Terminus	9 Kms

Location Importance:

Subject property is gains access from Anna salai which is heart line road of Chennai, Subject property is having access in 2 sides (Western side and Southern side). As per the site visit observations, main entrance for the subject property is from Anna salai). Civic, transport and social infrastructure are good with reputed schools , colleges, religious places and entertainment malls are within the closed proximity. Located in well developed locality.

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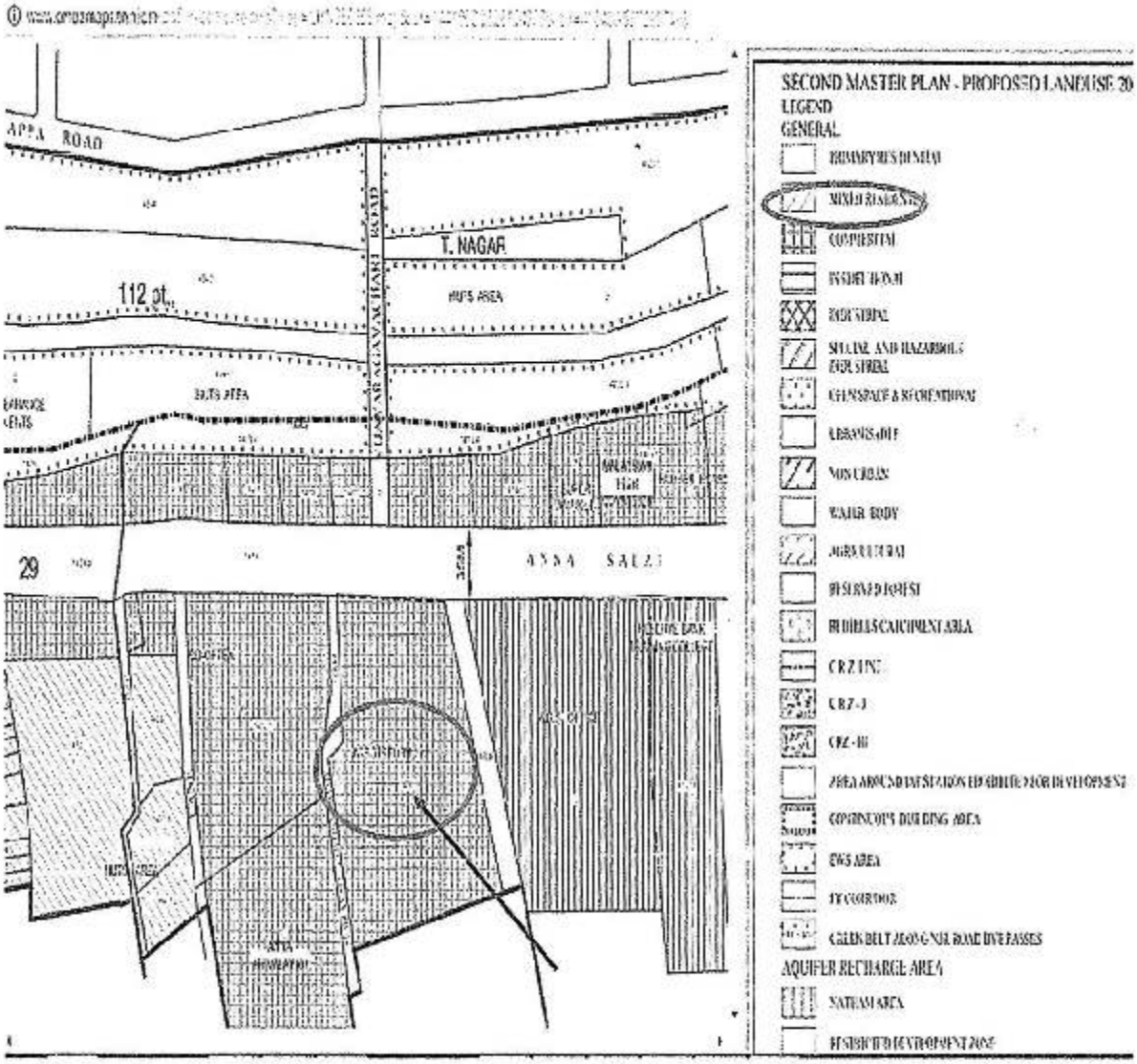
Proposed Land use map of CMDA



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Building Approval Details as per the completion Certificate

Planning Permit Issued by	Member Secretary, MMDA
Permit No	C/PP/MSB/30A to N/95
Completion Certificate Issued by	Member Secretary, CMDA
Completion Certificate No	C.C.No.EC/South/105/2011
Completion Certificate issued date	25/08/2011

Built up Area Statement As per the Deed of Transfer

Floor	Built up Area
Basement II	53028.25
basement I	51581.15
Ground	72252.14
First	38993.63
Second	16594.38
Third	1103.08
Fourth	78453.98
Fifth	33013
Sixth	34063
Seventh to Fifteenth	240078.78
Service Cores 1 and 2	4113.32
Head Room	8226.63
	631501

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Opinion on property value

Under Land and Building Method

Derived Value of Land as per Published/Quoted prices for land (Rs.)			32371,83,208
Extent of the Building as per the Deed of Transfer (Sq.ft)		631502	
Estimated Cost of new construction (Rs.)		3500	2210256545
Depreciation % @ 1.5% per Yr for 10 yrs		15%	331538482
Building cost after Depreciation (Rs.)		2975	
Estimated value of the Building (Rs.)			18787,18,063
Assumed Interiors decoration cost of 45% on Depreciated Construction Value (Rs.)		1339	845423128.5
Estimated Value of the Land and Building (Rs.)			59613,24,400

Even though the land is conveyed as UDS, the above valuation is arrived under Land and Building method since the nature of the structure is Individual. Also the 3/4 th of land is owned by the client. The valuation is done based on the realistic market value. The above valuation excludes the art-works that are present in the hotel premises.

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Calculation showing the derived market value of land using the Adjusted Comparable method is given below

Valuation of Land - Sale Comparison method	Subject property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	Teynampet	Near Gemini Flyover	Cenotaph road	Near Cenotaph Road Junction	Mount Road, Near Vanavil
Distance from Subject property	Na	About 800 Mts	Within 1.25 kms	Within 1 Kms	350 mts
Time since Sale	Na	About 1.5 yrs	About 1.2 yrs	Available for sale	Available for sale
Transaction Nature	Na	Sale	Sale	Known Quoted Price	Known Quoted Price
Plot Size	Around 56 Grounds	Around 10.9 Grounds	18 Grounds	Around 3.25 Grounds	Around 5 Grounds
Frontage	Approx 190 Ft	About 130 Ft	Approx 150 Ft	Approx 30 Ft	About 75 Ft
Property Description	MSB	land and MSB	Vacant Land	Vacant Land	Land and Old Building
Shape of Land	Irregular	Irregular	Almost regular	Irregular	Almost regular
Locality	Developed	Developed	Developed	Developed	Developed
Best Use	Commercial	Commercial - Income yielding	Commercial	Commercial	Commercial
Published & Quoted /Sale price	Na	6.25 Crs per Ground	6.6 Crs per Ground	4.5 Crs per Ground	7.5 Crs per Ground
Rate per Sq.ft (Rs.)	Na	27402	27500	31000	31250
Adjustments					
Parameters for Comparison					
Physical Attributes (Size, Frontage & Topography)	25%	-15%	-20%	-15%	-25%
Land Use & Developmental Potential	25%	8%	-10%	5%	-5%
Connectivity, Accessibility & Infrastructure	25%	0%	5%	0%	0%
Location & Neighbourhood	25%	0%	5%	0%	0%
Effective (Weighted Average) discount/premium adjustment		-23%	-20%	-10%	-30%
Adjusted Land Rate of comparables (Rs.)		21237	22000	27900	21875
Time Adjustment					
Average change in Land value from the point of transaction (% per annum)		5%	5%	5%	5%
Material date of Valuation	16-May-16				
Time Factor (Yrs)		1.4	1.1	0	0
Time Adjusted rate (Rs.)		22723	23210	27900	21875
Average Rate per Sq.Ft (Rs.)					23,927
Land extent (Sq.ft)					1,35,294
Derived Value of land (Rs.)					32371,83,209
Govt Guideline value @ Rs.19,000/- per Sq.ft (Rs.)					25705,86,000

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The conclusion on report

Physical site inspection and Physical survey

- The road access to the subject project exists in two side boundaries.
- The shape of land is irregular.
- Main Entrance for the subject property is through Anna Salai (Western Boundary).

List of approvals, Copy of approvals and Area statement

- Completion certificate for the building is produced for the subject property .
- The land falls under Commercial Zone.
- Subject project does not require NOC from CRZ .
- Total Built up area of the building as per the deed of transfer is 631501.87 Sq.ft.

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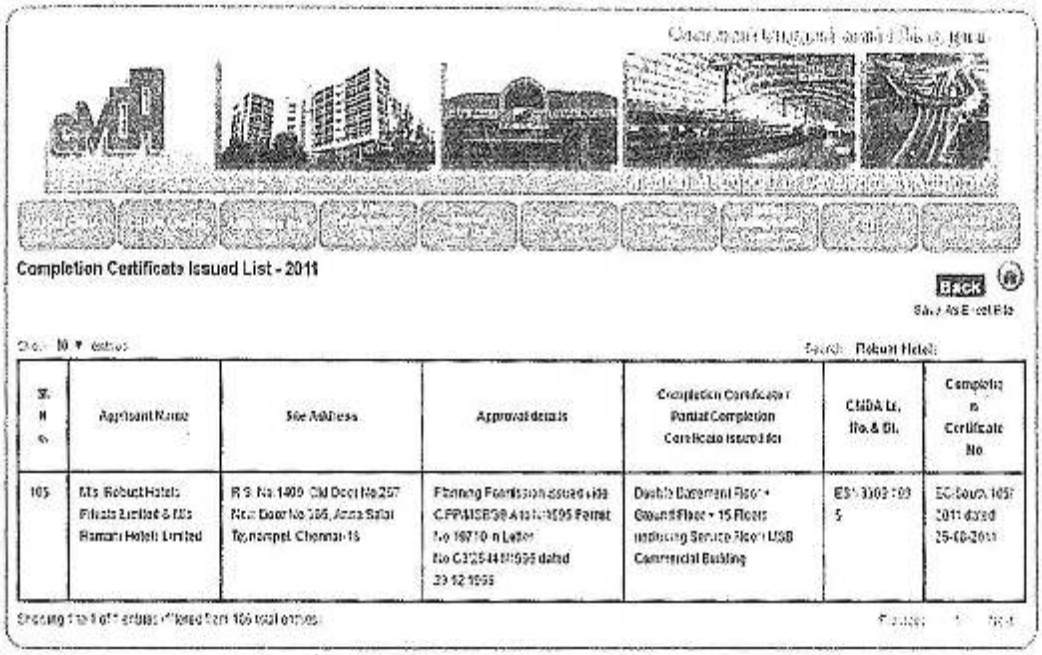
Completion Certificate details as per CMDA website

www.cmdachennai.gov.in



Completion Certificate Issued List - 2011

Back

Save As Excel File

Show 10 ▼ entries

Search: Robust Hotels

Sl. No.	Applicant Name	Site Address	Approval details	Completion Certificate / Partial Completion Certificate issued for	CMDA Lr. No. & Dt.	Completion Certificate No
105	M/s Robust Hotels Private Limited & M/s Ramani Hotels Limited	R.S. No.1409 Old Door No.257 New Door No.386, Anna Salai Teynampet, Chennai-18	Planning Permission issued vide C.PPM/SBSB A to N/1595 Permit No 16710 in Letter No C3/2544/N/1595 dated 29.12.1995	Double Basement Floor + Ground Floor + 15 Floors including Service Floor USB Commercial Building	ES/ 3309 109 5	EC/South 105/ 2011 dated 25-08-2011

Showing 1 to 1 of 1 entries (filtered from 105 total entries)

Previous 1 Next

Govt. Guideline rates as per Tnreginet.net

www.tnreginet.net

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Coimbatore

Cuddalore

Madurai

Salem

Thanjavur

Thirunelveli

Trichy

Vellore

Zone SRO Village Revenue District Name Taluk Name

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

1 2 3 4 5 6 7 8 9 List All Streets

Lent (first matching with the string 'Lonna salai')

STREET NAME	GUIDELINE VALUE	GUIDELINE VALUE IN METRICS	CLASSIFICATION
Anna Salai (Nandanam to Teynampet Mambalam)	19000 Sqft	204520 Sq.Mt	Commercial Special Type - 1

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Machinery Value

S.NO	DESCRIPTION	AGE in YRS	R.LIFE in YRS	PURCHASE VALUE in Rs.	ESTIMATED. VALUE in Rs.
1	AV &Tel	4	6	343,07,008	205,84,205
2	Boiler	4	11	356,99,936	261,79,953
3	Building Automation	4	6	458,36,087	275,01,652
4	computers(H)	4	1	171,23,279	34,24,656
5	Electricals	4	6	3184,78,139	1910,86,883
6	Elevators	4	6	851,30,513	510,78,308
7	Fire fighting equipment	4	11	276,42,995	202,71,530
8	Generators	4	11	143,48,891	105,22,520
9	HVAC	4	11	2267,68,201	1662,96,681
10	Kitchen Equipments	4	11	1229,66,765	901,75,628
11	Laundry Equipment	4	11	48,53,924	35,59,544
12	Less than Rs.5000/=	4	11	403,67,727	296,03,000
13	Sanitary & Plumbing	4	11	1377,92,080	1010,47,525
14	SPA	4	11	89,38,330	65,54,775
	Total			11202,53,875	7478,86,860

The above valuation excludes the Vehicles and intangible assets of the company.

For SREENIDHI VALUATION CONSULTANCY SERVICES

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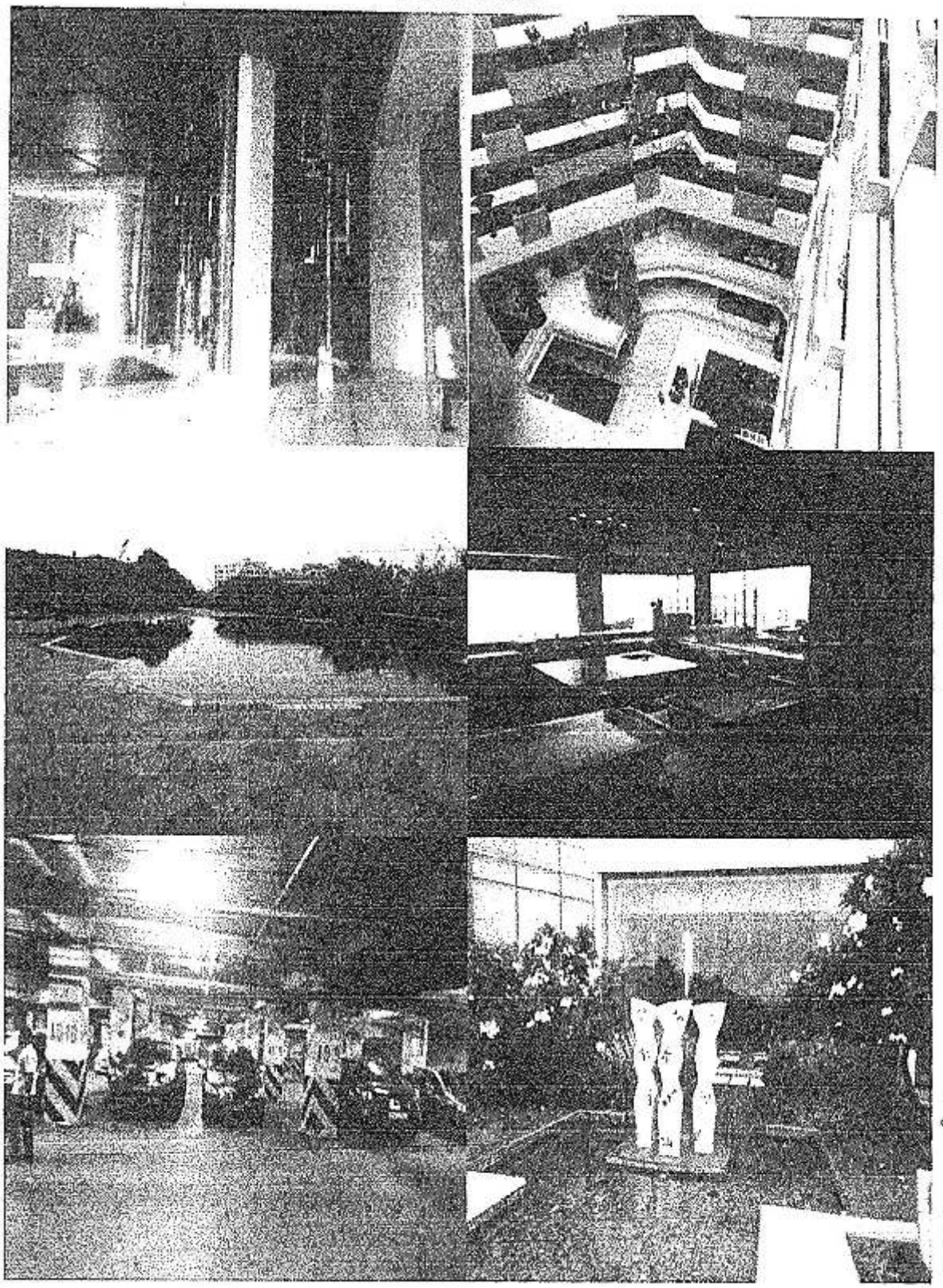
Site Pictures



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Annexure "ES-5"

D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

To,
Board of Directors
Asian Hotels (East) Limited
Hyatt Regency Kolkata
JA-1, Sector-3 Salt Lake City
Kolkata-700098

To,
Board of Directors
Robust Hotels Private Limited
365, Anna Salai Teynampet
Chennai- 600018

Subject: Fairness Opinion on Share Entitlement Ratio for the purpose of the Proposed Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders for Demerger of Investment Division (Demerged Undertaking) of GJS Hotels Limited to Asian Hotels (East) Limited and Reorganisation of Share Capital and Debentures of Robust Hotels Private Limited

Dear Sir/s,

This report is issued in connection with the proposed Scheme of Arrangement between GJS Hotels Limited ('GJSHL'), Asian Hotels (East) Limited ('AHEL') and Robust Hotels Private Limited ('RHPL') and their respective shareholders pursuant to the provisions of Section 230 of the Companies Act 2013 (the '**Scheme**' or the '**Scheme of Arrangement**').

We, M/s D & A Financial Services (P) Ltd, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484, have been engaged by you to give our fairness opinion on the share entitlement ratio recommended by M/s NSDP & Co., Chartered Accountants, having its office at Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110065 vide their report dated 2nd February 2017.

The Scheme is subject, inter alia, to (i) approval of the Hon'ble National Company Law Tribunal ("NCLT") of respective jurisdiction and (ii) other statutory approval(s) as may be required in this regard.

D & A FINANCIAL SERVICES PRIVATE LIMITED NEW DELHI

1

H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065, Phone:+91 11 26472567, 26419079
Fax:+91 11 26219491, E-mail:dafspl@gmail.com, investors@dnafinserv.com contact@dnafinserv.com, Website:www.dnafinserv.com
Mumbai. Ahmedabad **CIN : U74899DL1991PTC012709**

1. **Reason and Rationale of the Draft Scheme of Arrangement**

i. AHEL is a well-established hospitality company engaged in the business of running the 'Hyatt Regency' hotel in Salt Lake in Kolkata. It also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL. While RHPL is running the 'Hyatt Regency' hotel in Anna Salai in Chennai, GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan. The operations of RHPL have also been funded primarily by AHEL and GJSHL by a combination of equity and preference capital and debt. While AHEL has been in the business for several years, the business of GJSHL and RHPL is relatively new. The said Companies have been looking at suitable proposals for restructuring for simplifying and rationalizing their holding and financial structure and pursuing their business more beneficially.

ii. In the circumstances, it is considered desirable and expedient to (1) reconstruct GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganizing and converting the Preference Share Capital and Debentures of RHPL in the manner and on the terms and conditions stated in this Scheme of Arrangement.

iii. The Scheme will simplify the holding structure of the subsidiaries of AHEL and result in RHPL also becoming a direct subsidiary of AHEL consequent to transfer of the investment of GJSHL in RHPL to AHEL as part of the demerger. 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.

iv. 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.

v. 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.

vi. The Scheme will have beneficial results for the said Companies, their shareholders and all concerned.

NEW DELHI

2. Scope and Purpose of the Opinion

The Company has appointed M/s NSBP & Co., Chartered Accountants ('valuer'), to recommend a fair and equitable share entitlement ratio for reorganisation and conversion of the 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured Redeemable NCD") of Robust Hotels Private Limited ("RHPL" or "Robust Hotels") into Equity Shares of RHPL at fair value.

The management of the AHEL has engaged has engaged M/s D & A Financial Services (P) Ltd to submit its the Fairness Opinion to the Board of Directors of AHEL on the fairness of Share Entitlement Ratio recommended by the valuer. Further this report has been issued as per the requirement of SEBI circular no CIR/CFD/CMD.16/2015 dated 30th November, 2015.

The purpose of the opinion is to safeguard the interest of the shareholders and that of the companies involved in the Scheme and this opinion shall be made available to the shareholders of the relevant Companies at the time of their meeting to pass the necessary resolution for the Scheme and to any other relevant authority.

Disclaimer: We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by management of AHEL for the purpose of this Opinion. We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents of the Company other than those stated herein. We have not assumed any obligation to conduct, nor have we carried out any independent physical inspection or title verification of the property, investments etc. interests of AHEL, GJSHL and RHPL and accept no responsibility therefore.

We have not raviewed any internal management information statements or any non-public reports and instead with your consent we have relied upon information that was publicly available or provided or otherwise made available to us by AHEL for the purpose of this valuation. We are not experts in the evaluation of litigation or other actual or threatened claims.

3. Sources of Information

For arriving at the opinion set forth below, we have:

1. Perused the Draft Scheme of Arrangement;

2. Valuation Report recommending Share entitlement ratio dated 2nd February 2017 given by M/s NSBP & Co. having its office at Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110065.

D & A FINANCIAL SERVICES PRIVATE LIMITED NEW DELHI

4. **Approach followed for valuation.**

The value of the 12% Cumulative Redeemable Preference Shares and 0.1% Unsecured Non-Convertible Debentures of RHPL has been arrived at by M/s NSBP & Co, Chartered Accountants by applying Discounted Cash Flow Method while the value of hotel business of RHPL has been ascertained by them by using average of Discounted Cash Flow method and Net Asset Value method.

The valuations and the share entitlement ratio recommended on the basis of the same have been arrived at by the consideration of the aforesaid commonly used and accepted methods which are appropriate.

M/s NSBP & Co, Chartered Accountants, while arriving at the share entitlement ratio has considered the valuation report of valuation of Land, Building, Furniture/ Interior Decorations (excluding Arts), and Machinery of RHPL ("Specified Assets") done by M/s Sreenidhi Valuation Consultancy Services, Asset Valuer, having its office at No.3, Vathiyar Thottam, 1st Street, Rangarajapuram, Kodambakkam, Chennai 600 024

5. Conclusion

Based on our examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, we are of the opinion that the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangements is fair.

A. Fair value of Equity Share of RHPL: Rs.20/- per share.

B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	Value (In Rs. Crores)	Number of units	Value Per unit	Equity Share Entitlement (per 100 units)
12% Cumulative Redeemable Preference Shares of RHPL	64.10	43,00,000	149.06	745
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	100.62	2,05,00,000	49.09	245

Thanking You

For **D & A Financial Services (P) Ltd**

(Priya Ranjan)

Vice President

Date: 6th February 2017

Place: New Delhi

Annexure "ES-6"

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

10th May, 2017

The Manager **Listing Department** **BSE Limited** **Phiroz Jeejeebhoy 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** **Fax: (022) 2659 8237** **Type of Security: Equity shares** **NSE Symbol : AHLEAST**

Dear Sir,

Sub: Submission of Report on Complaints

Re: Scheme of Arrangement

Please find attached 'Report on Complaints' pursuant to Annexure III of Para 6 of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 for the Scheme of Arrangement filed with you.

This is for your kind perusal and record.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

Encl.: as above

OWNER OF
HYATT REGENCY
KOLKATA

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 1013 Fax : 033 2335 8246/2335 1236 **www.ahlcast.com**
CIN: L15122WB2007PLC162762

REPORT ON COMPLAINTS

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
Not Applicable			

For Asian Hotels (East) Limited

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

Asian Hotels (East) Limited Kolkata

10th May, 2017
Kolkata

OWNER OF
HYATT REGENCY™
KOLKATA

Annexure "ES-7"

BSE
EXPERIENCE THE NEW

DCS/AMAL/SD/R37/792/2017-18 **May 18, 2017**

The Company Secretary
ASIAN HOTELS (EAST) LTD.
Hyatt Regency Kolkata, JA-1,
Sector - III, Salt Lake City,
Kolkata, West Bengal- 700098

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of GJS Hotels Ltd, Robust Hotels Pvt Ltd and Asian Hotels (East) Ltd and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Arrangement involving amalgamation of GJS Hotels Ltd, Robust Hotels Pvt Ltd and Asian Hotels (East) Ltd and their respective shareholders and creditors filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated May 18, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the webeites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

..... 2/-

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-a-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50
Stock of the nation

Ref: NSE/LIST/10955

May 23, 2017

The Company Secretary
Asian Hotels (East) Limited
Hyatt Regency Kolkata
JA-1, Salt Lake City
Kolkata – 700 098

Kind Attn.: Mr. Saumen Chattopadhyay

Dear Sir,

Sub: Observation Letter for Draft Scheme of Arrangement among GJS Hotels limited, Robust Hotels Private Limited and Asian Hotels (East) Limited

We are in receipt of the draft scheme of arrangement between GJS Hotels limited, Robust Hotels Private Limited and Asian Hotels (East) Limited and their respective shareholders and creditors pursuant to Sections 230-232 of the Companies Act, 2013, filed by Asian Hotels (East) Limited vide application dated March 10, 2017.

Based on our letter reference no Ref: NSE/LIST/5788 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI vide letter dated May 18, 2017, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*

b. *The Company shall duly comply with various provisions of the Circulars.*

c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 23, 2017, within which the scheme shall be submitted to NCLT. Further, pursuant to the above SEBI circular, upon sanction of the Scheme by the NCLT, you shall submit to NSE the following:

a. Copy of Scheme as approved by the NCLT;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
d. Status of compliance with the Observation Letter/s of the stock exchanges
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
f. Report on Complaints as per Annexure III of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,
For **National Stock Exchange of India Ltd.**

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed
Signer: Divya Babu Poojari
Date: Tue, May 23, 2017 16:38:05 IST
Location: NSE

Regd. Office: Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051, India
CIN: U67120MH1992PLC069769 Tel: +91 22 26598235/36, 26598346, 26598459/26598458 Web site: www.nseindia.com

IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH
COMPANY APPLICATION NO. 516 OF 2017

In the Matter of the Companies Act, 2013 - Section 230(1) read with Section 232(1)

And

In the Matter of :

GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN U55101WB2002PLC160608; PAN AACCG7683A)

And

Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN L15122WB2007PLC162762; PAN AACCV4634N)

1. GJS Hotels Limited
2. Asian Hotels (East) Limited

. . . . . Applicants

FORM OF PROXY FOR MEETING OF EQUITY SHAREHOLDERS

Name of the Member(s)	
Registered Address	
No. of Shares Held	
Folio No. /DP ID & Client ID*	
Joint Holder(s)	
E-mail Id	

*Applicable in case shares are held in electronic form.

I/We being the member(s) holding _____ shares of Asian Hotels (East) Limited, hereby appoint:

1) Name: _____ Email Id: _____

Address: _____

Signature: _____, or failing him

2) Name: _____ Email Id: _____

Address: _____

Signature: _____, or failing him

3) Name: _____ Email Id: _____

Address: _____

Signature: _____

as my/our proxy to act for me/us at the meeting of the Equity Shareholders of Asian Hotels (East) Limited to be held on Wednesday, 21st February, 2018 at 11:00 a.m. at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 for the purpose of considering and if thought fit,

approving with or without modification, the proposed Scheme of Arrangement between GJS Hotels Limited, *Asian Hotels (East) Limited and Robust Hotels Private Limited, and their respective shareholders* and at such meeting or any adjournment thereof to vote for me/us and in my/our name _____ [*here, 'if for', insert 'for'; 'if against', insert 'against' and in the latter case, strike out the words below after 'Scheme of Arrangement'*] the said Scheme of Arrangement either with or without modification as my/our proxy may approve.

Signed this_____ day of_____2018.

Signature of the member: …….....

Signature of the proxy holder(s): …….....

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. This form of proxy can be obtained free of charge from the Company at its registered office address or the Office of its Advocates, M/s Khaitan & Co LLP or can be downloaded from the website of the Company viz. www.ahleast.com
3. A Proxy need not be a member of the Company.
4. All alterations made in the Form of Proxy should be initialled by the shareholder.
5. In case of multiple proxies, the Proxy later in the time shall be accepted.

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762
Regd. Office: Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098
Phone No.: (033)25171009 Fax: (033)23358246
Website: www.ahleast.com E-mail: investorrelations@ahleast.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I hereby record my presence at the meeting of the Equity Shareholders convened on Wednesday, 21st February, 2018, at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 at 11:00 A.M. Pursuant to the order of the Hon'ble National Company Law Tribunal, Kolkata Bench.

Name and Address of the Member :

_____

_____

_____

(*If represented by Authorised Representative, details of the same*)

No. of Shares : _____

DP Id* : _____

Client Id* : _____

Regd. Folio No. : _____

Name of the proxy holder/
Authorised representative : _____

* Applicable for shareholder(s) holding shares in dematerialized form.

I further declare that above particulars are true and correct to the best of my knowledge.

Signature of the Member/Proxy/ Authorised Representative:_____

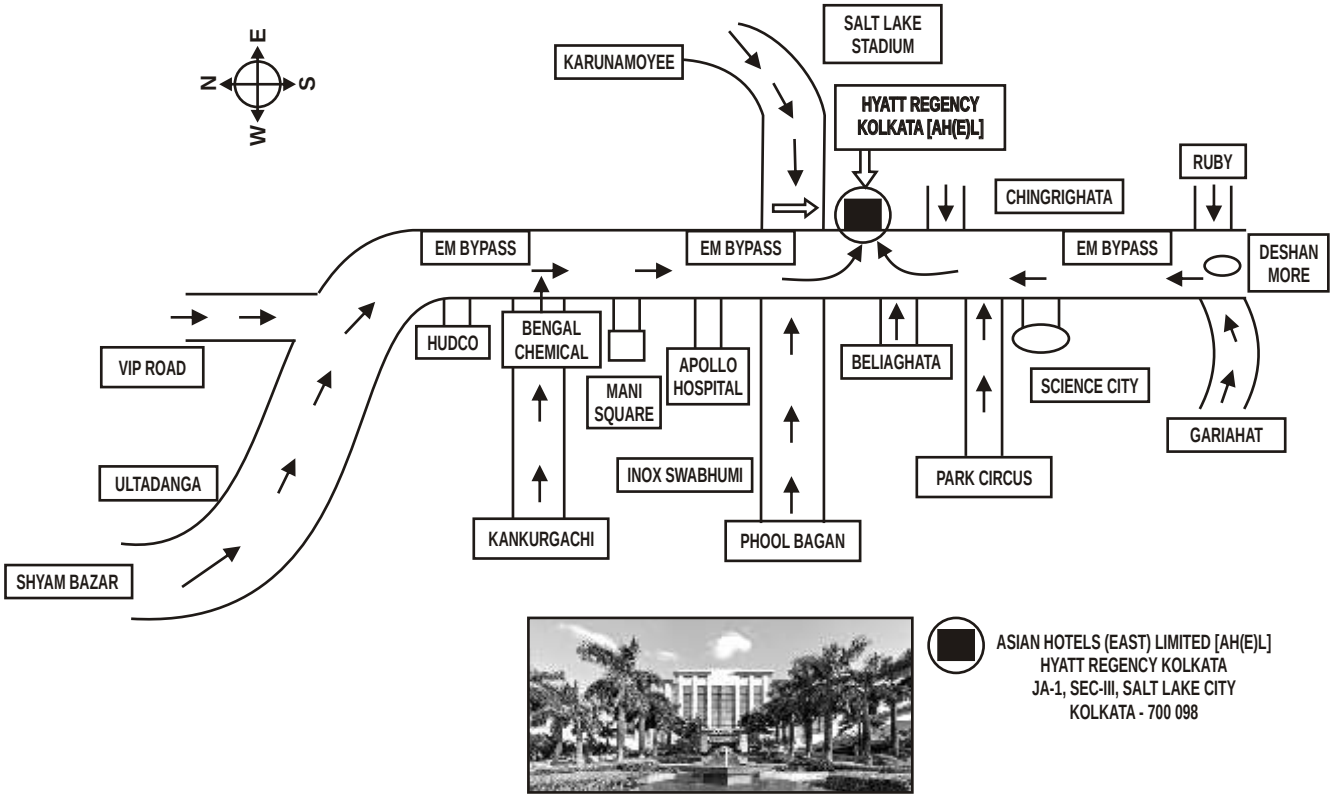
Place :

Date :

Important:

1. The member, proxy holder or the authorised representative attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled and signed.
2. The member, proxy holder or the authorised representative are requested to bring their copy of notice for reference at the meeting.
3. Joint shareholders may obtain additional attendance slip at the venue of the meeting.
4. Members are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons. The Meeting is for members or their proxies only. Please avoid being accompanied by non-member/children.

Road map of the venue of Tribunal Convened Meeting of Asian Hotels (East) Limited [AH(E)L] at Hyatt Regency Kolkata



ASIAN HOTELS (EAST) LIMITED

Registered Office: Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098
Tel: (033) 25171009 Fax: (033) -23358246
Email: investorrelations@ahleast.com Website: www.ahleast.com
CIN: L15122WB2007PLC162762

NOTICE

MEETING OF UNSECURED CREDITORS

(CONVENED PURSUANT TO THE ORDER DATED 21ST DECEMBER, 2017 AS MODIFIED BY AN ORDER DATED 4TH JANUARY, 2018 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH)

MEETING	
Day	Wednesday
Date	21st February, 2018
Time	1:00 P.M.
Venue	Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098

Sl. No.	Contents	Page Nos.
1.	Notice of Meeting of unsecured creditors of Asian Hotels (East) Limited	2-3
2.	Explanatory Statement under Section 230(3) read with Section 232(2) of the Companies Act, 2013	4-16
3.	Scheme of Arrangement between GJS Hotels Limited ("**GJSHL**"), Asian Hotels (East) Limited ("**AHEL**"), Robust Hotels Private Limited ("**RHPL**") and their respective shareholders pursuant to Section 230 of the Companies Act, 2013	17-24
4.	Financial Statements (Unaudited) of AHEL, GJSHL and RHPL as on 30th September, 2017 (**Annexure "ES-1" to Explanatory Statement**)	25-55
5.	Report of the Board of Directors of AHEL and GJSHL pursuant to Section 232(2)(c) of the Companies Act, 2013 (**Annexure "ES-2" to Explanatory Statement**).	56-59
6.	Statement of shareholdings of the Directors and Key Managerial Personnel of AHEL, GJSHL and RHPL (**Annexure "ES-3" to Explanatory Statement**).	60-65
7.	Valuation Report dated 2nd February, 2017 issued by Messrs. NSBP& Co, (**Annexure "ES-4" to Explanatory Statement**)	66-112
8.	Fairness Opinion issued by Messrs. D&A Financial Services (P) Limited on the share entitlement ratio **(Annexure "ES-5" to Explanatory Statement)**	113-116
9.	Complaints Report submitted by AHEL to Stock Exchanges (**Annexure "ES-6" to Explanatory Statement**)	117-118
10.	Observation letters of Stock Exchanges on the Scheme (**Annexure "ES-7" to Explanatory Statement**)	119-122
11.	Form of Proxy	123
12.	Attendance Slip	125
13.	Map of Venue of Meeting	126

Before the National Company Law Tribunal

Kolkata Bench

Company Application No.516 of 2017

In the Matter of the Companies Act, 2013 - Section 230(1) read with Section 232(1)

And

In the Matter of :

GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN U55101WB2002PLC160608; PAN AACCG7683A)

And

Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN L15122WB2007PLC162762; PAN AACCV4634N)

1. GJS Hotels Limited

2. Asian Hotels (East) Limited

. . . . . Applicants

NOTICE CONVENING MEETING OF UNSECURED CREDITORS

To,
The Unsecured Creditors of
Asian Hotels (East) Limited

NOTICE is hereby given that by an order dated 21st December, 2017 as modified by an order dated 4th January, 2018, the Hon'ble National Company Law Tribunal, Kolkata Bench ("**Tribunal**") has directed a meeting, inter alia, of the Unsecured Creditors of Asian Hotels (East) Limited, the Applicant No.2 above named ("**AHEL**"), to be held for the purpose of their considering, and if thought fit, approving, with or without modification, the proposed Scheme of Arrangement between GJS Hotels Limited, being the Applicant Company No.1 above named (hereinafter referred to as "**GJSHL**"), the said AHEL, the Applicant Company No.2 above named and Robust Hotels Private Limited (hereinafter referred to as "**RHPL**") and their respective shareholders ("Scheme")**.**

In pursuance of the said order and as directed therein, **further notice** is hereby given that a meeting of the Unsecured Creditors of AHEL will be held at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 on Wednesday, the 21st day of February, 2018 at 1:00 P.M. to consider, and if thought fit, to pass the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) read with Section 232(1) of the Companies Act, 2013:-

*"**RESOLVED THAT** pursuant to Section 230 of the Companies Act, 2013, the Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited, and their respective shareholders presented in Company Application (CAA) No.516/KB/2017 filed jointly by GJS Hotels Limited and Asian Hotels (East) Limited before the Hon'ble National Company Law Tribunal, Kolkata Bench ("Tribunal"), be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board of Directors of Asian Hotels (East) Limited (hereinafter referred to as the "Board" which term shall be deemed to mean and include one or more Committee(s) constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal or its appellate authority(ies) / while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme of Arrangement, as the Board may deem fit and proper."*

Votes may be cast at the venue of the meeting by you personally or by proxy provided that in the latter case, a proxy in the prescribed form, duly signed by you, is deposited at the registered office of AHEL, not later than 48 (forty eight) hours before the time for holding the meeting. In case of a Body Corporate, being an Unsecured Creditor of AHEL, opting to attend and vote at the venue of the meeting, as aforesaid, through its authorised representative, such Body Corporate may do so provided a certified copy of the resolution of its Board of Directors or other governing body authorising such representative to attend and vote at the meeting on its behalf is deposited at the registered office of AHEL not later than 48 (forty eight) hours before the time for holding the meeting.

The aforesaid resolution for approval of the Scheme shall, if passed by a majority in number representing three-fourths in value of all Unsecured Creditors of AHEL casting their votes, as aforesaid, shall be deemed to have been duly passed on the date of the said meeting (i.e. 21st February, 2018) of the Unsecured Creditors of AHEL under Section 230(1) read with Section 232(1) of the Companies Act, 2013.

The Hon'ble Tribunal has appointed Mr. Ravi S. Asopa, Advocate to be the Chairperson of the said meeting of the Unsecured Creditors of AHEL and Mr. Siddhartha Murarka, Practising Company Secretary, to be the Scrutinizer for the said meeting.

A copy of each of the said Scheme of Arrangement, form of proxy, attendance slip and the Explanatory Statement under Section 230(3) read with Section 232(2) of the Companies Act, 2013 along with all annexures to such statement, are enclosed herewith. A copy of this notice and the accompanying documents are also placed on the website of AHEL viz.www.ahleast.com.

The value of the unsecured creditors shall be considered as on 30th December, 2017 for the purpose of the meeting of the said creditors of AHEL in terms of the said order of the Hon'ble Tribunal. This notice is being dispatched accordingly to all the unsecured creditors of AHEL whose names are appearing in the records of AHEL as on 30th December, 2017.

In terms of the said order of the Hon'ble Tribunal, the Scrutinizer shall submit his report on the voting to the Chairperson within 3 days of the conclusion of the meeting and the Chairperson shall declare the results of the meeting after submission of such report to him. The results shall be announced by the Chairperson accordingly on or before 24th February 2018 upon receipt of Scrutinizer's reports and the same shall be displayed on the website of the Applicant Company No.2 (https://www.ahleast.com) and on the website of Karvy Computershare Private Limited ('Karvy") (https://evoting.karvy.com). The said results shall also be published in The Business Standard (English Newspaper) and Ek Din (Bengali Newspaper).

The abovementioned Scheme of Arrangement, if approved at the aforesaid meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

Sd/-

Dated this 16th day of January, 2018.

Ravi S. Asopa
Chairperson appointed for the Meeting

Drawn on behalf of Applicants by

Sd/-

(Aniket Agarwal)
Advocate for the Applicants
Khaitan & Co, Advocates
1B, Old Post Office Street
Kolkata 700 001

Notes for meeting of unsecured creditors of AHEL:

1) Only Unsecured Creditors of AHEL may attend (either in person or by proxy or by authorised representative) at the said meeting of the Unsecured Creditors of AHEL ("**Meeting**"). The authorised representative of a body corporate which is a registered Unsecured Creditor of AHEL may attend the Meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting is deposited at the Registered Office of AHEL not later than 48 hours before the scheduled time of the commencement of the Meeting.

2) AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A UNSECURED CREDITOR OF AHEL. The Form of Proxy duly completed should, however, be deposited at the Registered Office of AHEL not later than 48 hours before the scheduled time of the commencement of the Meeting. All alterations made in the form of Proxy should be initialled by the Unsecured Creditor.

3) An Unsecured Creditor or his Proxy or authorized representative is requested to bring copy of the notice to the Meeting and produce at the entrance of the Meeting venue, the attendance slip duly completed and signed.

4) This Notice of the Tribunal convened Meeting of unsecured creditors of AHEL is also displayed / posted on the website of AHEL at www.ahleast.com and on the website of Karvy https://evoting.karvy.com.

5) Voting rights shall be reckoned on the value of the Unsecured Creditors as on 30th December, 2017 being the date fixed in this regard by the Hon'ble Tribunal.

6) The Scrutinizer will submit his report to the Chairperson of the Meeting upon scrutiny of voting by the Unsecured Creditors within 3 days of the conclusion of the meeting and the Chairperson shall declare the results of the meeting after submission of such report to him. The results will be posted on the website of AHEL at www.ahleast.com and on Karvy https://evoting.karvy.com, as well as on the notice board of AHEL at its registered office. The said results shall also be published in The Business Standard (English Newspaper) and Ek Din (Bengali Newspaper).

7) Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the Unsecured Creditors at the registered office of AHEL as mentioned in the Explanatory Statement.

Before the National Company Law Tribunal

Kolkata Bench

Company Application No.516 of 2017

In the Matter of the Companies Act, 2013 - Section 230(1) read with Section 232(1)

And

In the Matter of :

GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN U55101WB2002PLC160608; PAN AACCG7683A)

And

Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN L15122WB2007PLC162762; PAN AACCV4634N)

1. GJS Hotels Limited

2. Asian Hotels (East) Limited

. . . . . Applicants

Explanatory Statement under Section 230(3) read with Section 232(2) of the Companies Act, 2013.

1. Meeting for the Scheme of Arrangement

This is a Statement accompanying the respective Notices convening meetings of Equity Shareholders and Unsecured Creditors of Asian Hotels (East) Limited, being the Applicant Company No.2 above named (hereinafter referred to as "**AHEL**") for the purpose of their considering and if thought fit, approving, with or without modification, the **proposed** Scheme of Arrangement between GJS Hotels Limited, being the Applicant Company No.1 above named (hereinafter referred to as "**GJSHL**"), the said AHEL, being the Applicant Company No.2 above named and Robust Hotels Private Limited (hereinafter referred to as "**RHPL**") and their respective shareholders whereby and whereunder it is proposed to (1) reconstruct GJSHL and AHEL by demerger of the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganise and convert the outstanding 43,00,000, 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("**Specified Preference Shares**") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("**Specified Debentures**") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement. The salient features of the Scheme of Arrangement are given in paragraph 5 of this Statement. The detailed terms of the arrangement will appear from the enclosed draft of the Scheme.

2. Date, time and venue of Meeting

Pursuant to an order dated 21st December, 2017 as modified by an order dated 4th January, 2018 , passed by the Hon'ble National Company Law Tribunal, Kolkata Bench ("**Tribunal**") in Company Application No. *(CAA) No.516/KB* of 2017, separate meetings of the Equity Shareholders and Unsecured Creditors of AHEL will be held for the purpose of their considering and if thought fit approving of, with or without modification(s), the said Scheme of Arrangement at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 on Wednesday, the 21st day of February, 2018 at 11:00 a.m. and 1:00 p.m. respectively.

3. Rationale and benefits

The circumstances which justify and/or have necessitated the said Scheme of Arrangement and the benefits of the same are, inter alia, as follows:-

(A) AHEL is a well established hospitality company engaged primarily in the business of running the `Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, AHEL holds and is engaged in the business of investing in shares and securities of other bodies corporate on both, a short term basis (current investments) and long term basis (non-current investments). AHEL thus also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL. While RHPL is running the `Hyatt Regency' hotel at Anna Salai, Teynampet in Chennai, GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan while the operations of RHPL have also been funded primarily by AHEL and GJSHL by a combination of equity capital, preference capital and debt. While AHEL has been in the hospitality business for several years, the business of GJSHL and RHPL is relatively new. The said Companies have been looking at suitable proposals for restructuring with the objective, inter alia, of simplifying and rationalising their holding and financial structure and pursuing their business more conveniently and beneficially.

(B) In the circumstances and as part of an overall restructuring plan, it is considered desirable and expedient to (1) reconstruct GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganise and convert the outstanding 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("Specified

Preference Shares") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("Specified Debentures") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement.

(C) The demerger will simplify the holding structure of the subsidiaries of AHEL and result in RHPL also becoming a direct wholly owned (100%) subsidiary of AHEL consequent to transfer of the investment of GJSHL in RHPL to AHEL as part of the demerger. Accordingly, following the demerger, both companies, GJSHL and RHPL will be directly held by AHEL. The same will enable AHEL to optimise returns from its investments in its subsidiaries and to hold such investments more conveniently. The activity of holding and monitoring investments in shares and securities of other bodies corporate, including taking decisions and exercising rights in respect of such investments is already undertaken by AHEL on a much larger scale. As such the investment in RHPL will be held and monitored in AHEL more efficiently and advantageously without detracting from the hotel operating business carried on directly by AHEL or diluting focus thereon.

(D) The demerger will enable GJSHL to pursue operating business with greater focus and attention and facilitate the business considerations and factors applicable to the same to be addressed more effectively and adequately by GJSHL without the responsibility of monitoring investments in RHPL. The demerger will also enable independent evaluation of the said business of GJSHL and facilitate running and operation of such business and growth and development plans thereof to be funded independently.

(E) The demerger will result in appropriate combination and consolidation of the investment business (Demerged Undertaking) of GJSHL with the investment business of AHEL. Such combined and consolidated investment business in AHEL will be managed and pursued more advantageously and effectively in AHEL.

(F) The reorganisation and conversion of the Specified Preference Shares and Specified 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, and enhance its capacity to raise and access funds for growth and development of its business. The conversion into equity will also link returns more closely to performance and provide greater flexibility to the financial structure of RHPL.

(G) As such, the Scheme will enable AHEL and its subsidiaries to pursue their businesses more conveniently and advantageously and unlock shareholders value.

(H) The Scheme will suitably realign and adjust the relationship between the capital and assets of the respective Companies and have beneficial results for the said Companies, their shareholders and all concerned.

4. Background of the Companies

A. Particulars of the Applicant No.1 (GJSHL)

i. GJS Hotels Limited (GJSHL) was incorporated on the 9th day of December, 2002 under the provisions of the Companies Act, 1956 as a Company limited by shares. GJSHL is a company within the meaning of the Companies Act, 2013. GJSHL, is registered with the Registrar of Companies, West Bengal having CIN U55101WB2002PLC160608. Its PAN Number with the Income Tax Department is AACCG7683A. The email id of GJSHL is saumen.chatterjee@ahleast.com. During the last five years, there has been no change in the name, registered office and objects of GJSHL. GJSHL is an unlisted Company.

ii. The main objects of GJSHL as contained in Clause III of the Memorandum of Association amongst others include undertaking and carrying on the business of hotels, motels, resorts, restaurants cafe, tavern, beer house, refreshment room, boarding and lodging house keepers, licensed victuallers, inns, wine, beer and spirit merchants, brewers, merchants importers and manufacturers of aerated mineral and artificial waters and other drinks, importers and dealers of all kinds of foods and food stuffs, vegetarian and non-vegetarian natural or synthetic, purveyors, caters for public amusement, coach, cab carriage, and motor car and proprietors of clubs, baths shopping commercial arcades beauty parlours laundries, libraries, grounds and place of amusement, health, beauty and recreation sport or otherwise; acquiring, purchasing, altering, repairing, upholding, maintaining, furnishing, land buildings, immoveable properties for the purpose of hotels, motels, resorts, restaurants, club house, holiday inns, tourist homes, cottages, shopping arcades, commercial and trading activities; managing existing hotels, motels, resorts, restaurants and to plan build furnish, equip, decorate and set up independently and/or in collaboration with other hoteliers either Indian or foreigners new hotels, motels, resorts, restaurants and to carry on the business as proprietors, managers consultants of hotels, motels, restaurants, canteen, cafeteria, travellers, lodging, guest houses and place for the purpose of providing boarding and lodging in India and abroad on a management contract or otherwise, on a franchise arrangement or otherwise; and dealing with or acting as an investor by way of acquiring, holding, selling, buying, transferring, subscribing any shares, bonds, stocks, or any other securities, of any kind, issued by or guaranteed by any government, public body, authority, state, sovereign, commissioners, trusts, provincial, municipal body, or otherwise, whether in India or elsewhere and to act as guarantors, financers, underwrites, and to lend money or deal with money, either with interest or without interest to such individuals, firms, body corporate, and institutions and upon such terms and conditions as the Company may deem expedient but not amounting to banking business as defined under the Banking Regulations Act, 1949.

iii. GJSHL is a direct and wholly owned (100%) subsidiary of AHEL. GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan. Such business of GJSHL is relatively new. In addition, GJSHL is also engaged in the business of investing in shares and securities.

iv. The Authorised Share Capital of GJSHL is Rs.14,00,00,000/-divided into 1,40,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid up Share Capital of GJSHL is Rs.10,96,10,000/- divided into 1,09,61,000 Equity Shares of Rs.10/- each fully paid up. All Equity Shares issued by GJSHL are held by AHEL and its nominees and, accordingly, GJSHL is a wholly owned (100%) subsidiary of AHEL.

v. The latest annual accounts of AHELhas been audited for the financial year ended on March 31, 2017. In accordance with the listing regulations, AHEL has prepared its financial statements (unaudited) as on 30th September, 2017, a copy whereof is included in **Annexure "ES-1"** attached hereto. Further, in accordance with the listing regulations, AHEL has also published its

financial results for the quarter and half year ended 30th September, 2017 in the prescribed format. AHEL has not issued any debentures. The following summary extracted from the said financial statements as at 30th September, 2017 indicates the financial position of AHEL as on the said date as follows:-

Particulars		Amount in Rupees
A.	Paid up Share Capital	10,96,10,000
B.	Reserves and Surplus	1,37,57,25,812
	Net Shareholders Fund (A+B)	**1,48,53,35,812**
C.	Assets	
	Non-Current Assets	4,71,40,69,615
	Current Assets	31,11,367
	Total (C)	**4,71,71,80,982**
D.	Liabilities	
	Non-Current Liabilities	-
	Current Liabilities	3,23,18,45,170
	Total (D)	**3,23,18,45,170**
	Excess of Assets over Liabilities (C – D)	**1,48,53,35,812**

Subsequent to the date of the aforesaid unaudited financial statements, i.e., 30th September, 2017, there has been no substantial change in the financial position of GJSHL excepting those arising or resulting from the usual course of business.

vi. The details of Directors and Promoters of GJSHL along with their addresses are mentioned herein below:

Sl. No.	Name	Category	Address
Directors:			
1.	Umesh Saraf	Non Independent Director	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
2.	Padam Kumar Khaitan	Independent Director	3, Queens Park, Kolkata – 700 019
3.	Basab Chakraborty	Independent Director	5E, Beltala Road, Bhowanipur, Kolkata – 700 026
4.	Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata – 700 006
Promoters:			
1.	Asian Hotels (East) Limited	Promoter Group	Hyatt Regency Kolkata, JA-1, Sector – 3 Salt Lake City, Kolkata – 700 098

B. <u>Particulars of the Applicant No.2 (AHEL)</u>

i. The applicant No.2, Asian Hotels (East) Limited("AHEL") was incorporated on the 8th day of January, 2007 under the provisions of the Companies Act, 1956 as a Private Company limited by shares by the name and style of `Vardhman Hotels Private Limited'. With effect from 28th July, 2007. AHEL was converted into a Public Company with the name and style 'Vardhaman Hotels Limited'. Further, the name of Vardhaman Hotels Limited changed to its present one, i.e., 'Asian Hotels (East) Limited' with effect from 16th February, 2010. AHEL is a company within the meaning of the Companies Act, 2013. AHEL, is registered with the Registrar of Companies, West Bengal having CIN L15122WB2007PLC162762. Its PAN Number with the Income Tax Department is AACCV4634N. The email address of AHEL is investorrelations@ahleast.com. During the last five years, there has been no change in the name, registered office and objects of AHEL. The equity shares of AHEL are listed on the BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

ii. The main objects of AHEL as contained in Clause III of the Memorandum of Association amongst others include undertaking and carrying on the business of acquiring by purchase, lease, exchange hire or otherwise lands, plots, buildings and hereditaments of any tenure or description situated in anywhere in India and any estate or interest and rights therein in particular by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels, motels, restaurants, reverts, dining rooms, bars, catering rooms, garages, stables, lodging houses, commercial buildings, farm houses, warehouses, clubs, health clubs, dressing rooms, beauty salera, baths, laundry rooms, reading, writing and library rooms, indoor and outdoors play grounds and stadiums, swimming pool, theatre, opera and cinema houses, internet café, museum and art rooms, video and other fun games room, race courses, mediation centres, boating clubs, flying clubs, freezing hot-preservation and banking chambers and by consolidating or connecting or subdividing properties and by leasing hiring and disposing of same; carrying on the business of establishing and operating of hotels, restaurants, inns, resorts, cinema, café, tavern, beer house, bars, business and commercial centres, refreshment rooms and lodging house keepers, licensed victuallers, wine, beer and, brewers, maltsters, distillers, importers and manufacturers of aerated mineral and artificial waters and other drinks, purveyors, caterers, whether in meals provided door or outdoor, carriage, taxi, motor car and motor lorry proprietors, livery stable keepers job masters, farmers dairy men, ice merchants, importers and dealers of all kinds of food and foodstuff, vegetarian and non-vegetarian, live or dead stocks, whether half prepared, fully prepared or raw form, colonial and foreign produce of all descriptions, hotel ware, hairdressers, perfumers, chemists, proprietors of clubs, night clubs, seminar, fashions shows and cultural programmes, bath, dressing rooms, grounds, places of amusements, recreation, sports, games, conduct tours and travels, entertainment and instruction of all kinds, tobacco, cigar and cigarettes merchants, agents for railways, roadways,

airways and shipping companies and transporters and earners, the articles and opera box office proprietors; acting as consultants, managers, trainers, operators, advisors, hotel management advisors, planners, valuers to and impart technical know-how, in the field of planning, construction, operations of hotels, restaurants, resorts, recreation and entertainment centres and in the field of hospitality and tourism industry whether in India or abroad; dealing with or to act as an investors by the way of acquiring, holding, selling, buying, transferring, subscribing any shares, bonds, stocks, debentures, or any other securities, of any kind, issued by or guaranteed by any government, public body, authority, state, sovereign, commissioners, trusts, provincial, municipal body, or otherwise, whether in India or elsewhere and to act as guarantors, financers, underwriters, and to lend money or deal with money, either with or without interest to such individuals, firms, body corporates, and institutions and upon such terms and conditions as the Company may deem expedient but not amounting to banking business as defined under the Banking Regulations Act, 1949.

iii. AHEL is a well established hospitality company engaged primarily in the business of running the `Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, AHEL holds and is engaged in the business of investing in shares and securities of other bodies corporate on both, a short term basis (current investments) and long term basis (non-current investments). AHEL also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL.

iv. The Authorised Share Capital of AHEL is Rs.90,00,00,000/- divided into 8,90,00,000 Equity Shares of Rs.10/- each and 10,00,000 Preference Shares of Rs.10/- each. The Issued, Subscribed and Paid up Share Capital of AHEL is Rs.11,52,77,970/- divided into 1,15,27,797 Equity Shares of Rs.10/- each fully paid up.

v. The latest annual accounts of AHELhas been audited for the financial year ended on March 31, 2017. In accordance with the listing regulations, AHEL has prepared its financial statements (unaudited) as on 30th September, 2017, a copy whereof is included in **Annexure "ES-1"** attached hereto. Further, in accordance with the listing regulations, AHEL has also published its financial results for the quarter and half year ended 30th September, 2017 in the prescribed format. AHEL has not issued any debentures. The following summary extracted from the said financial statements as at 30th September, 2017 indicates the financial position of AHEL as on the said date as follows:-

Particulars	**Amount in Rupees**
A. Paid up Share Capital	11,52,77,970
B. Reserves and Surplus	8,76,91,96,724
Net Shareholders Fund (A+B)	**8,88,44,74,694**
C. Assets	
Non Current Assets	4,99,35,06,669
Current Assets	4,24,62,10,909
Total (C)	**9,23,97,17,577**
D. Liabilities	
Non Current Liabilities	12,26,83,892
Current Liabilities	23,25,58,992
Total (D)	**35,52,42,884**
Excess of Assets over Liabilities (C – D)	**8,88,44,74,693**

Subsequent to the date of the aforesaid financial statements, i.e., 30th September, 2017, there has been no substantial change in the financial position of AHEL excepting those arising or resulting from the usual course of business.

vi. The details of Directors and Promoters of AHEL along with their addresses are mentioned herein below:

Sl. No.	**Name**	**Category**	**Address**
Directors:			
1.	Radhe Shyam Saraf	Non Indpendent Chairman	Flat D20/G Caine Mansion, 80-88 Caine Road, Hong Kong
2.	Arun Kumar Saraf	Joint Managing Director	Western Express Highway, Santacruz (E), Mumbai – 400 055
3.	Umesh Saraf	Joint Managing Director	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
4.	Amol Chandra Chakrabortti	Independent Director	22/2A, Gora Chand Road, Kolkata – 700 014
5.	Padam Kumar Khaitan	Independent Director	3, Queens Park, Kolkata – 700 019
6.	Rama Shankar Jhawar	Independent Director	29/13, Ballygunge Park, Kolkata – 700 019
7.	Rita Bhimani	Independent Director	12/4 Sunny Park Apartments, 6 Sunny Park, Kolkata – 700 019
Promoters:			
1.	Saraf Industries Limited	Promoter Group	IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius
2.	Radhe Shyam Saraf	Promoter	Flat D20/G Caine Mansion, 80-88 Caine Road, Hong Kong
3.	Ratna Saraf	Promoter	Flat D20/G Caine Mansion, 80-88 Caine Road, Hong Kong
4.	Umesh Saraf	Promoter	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
5.	Arun Kumar Saraf	Promoter	Western Express Highway, Santacruz (E), Mumbai – 400 055

C. Particulars of RHPL

i. Robust Hotels Private Limited ("RHPL") was incorporated on the 19th day of January, 2007 under the provisions of the Companies Act, 1956 as a Company limited by shares. RHPL is a company within the meaning of the Companies Act, 2013. RHPL is registered with the Registrar of Companies, Tamil Nadu having CIN U55101TN2007PTC062085. Its PAN Number with the Income Tax Department is AADCR5418B. During the last five years, there has been no change in the name, registered office and objects of RHPL. The email address of RHPL is info@robusthotels.com. RHPL is an unlisted Company. RHPL having its registered office in the State of Tamil Nadu has filed a similar application in relation to the said Scheme under Section 230(1) of the Companies Act, 2013 in the Hon'ble Chennai Bench of the National Company Law Tribunal.

ii. The main objects of RHPL as contained in Clause III of the Memorandum of Association amongst others include carrying on the business of constructing, building, erecting, acquiring, purchasing, establishing, administrating, managing, running or in any manner and in all respects dealing in hotels and lodging houses of every kind and description, including all conveniences, amenities and facilities relating or adjunct thereto and to carry on the business of hotel, restaurant, refreshment rooms, beauty parlour, souvenir shop, café, coffee pubs, roadhouse, motel, holiday camp, holiday resorts, country clubs, caravan site, and apartment house keepers, entertainment malls, multiplexes and to let out on contract conference halls, Dancing halls, Marriage halls, convention centres; carrying on the business as proprietors of restaurant, hotel refreshment and tea rooms, cafes and milk and snack bars, tavern, beer house and lodging-house keepers, licensed victuallers, wine, beer and spirit merchants, brewers, malsters, distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, and as caterers and as contractors in all their respective branches and to buy, sell, import, export, and produce or deal/trade in groceries, confectionaries, food products, wines, spirits, and beverages of all kinds; promoting and developing tourism and develop sports and other allied activities specially to cater to the taste of foreign national and to act as business consultants and advisors for technical, engineering, marketing, financing and management assignments in relation to hospitality industry for tourists both for residents and foreign nationals.

iii. RHPL is a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL. At present, RHPL is running the `Hyatt Regency' hotel at Anna Salai, Teynampet in Chennai. The operations of RHPL have been funded primarily by AHEL and GJSHL by a combination of equity capital, preference capital and debt. Such business of RHPL is relatively new.

iv. The Authorised Share Capital of RHPL is Rs. 2,12,00,00,000/-divided into 15,50,00,000 Equity Shares of Rs.10/- each, 43,00,000 Redeemable Preference Shares of Rs.100/- each and 1,40,00,000 Preference Shares of Rs.10/- each. The Issued, Subscribed and Paid up Share Capital of RHPL is Rs.1,97,17,38,290/- divided into 15,41,73,829 Equity Shares of Rs.10/- each and 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each ("CRPS"). All Equity Shares issued by RHPL are held by GJSHL and its nominee and, accordingly, RHPL is a wholly owned (100%) subsidiary of GJSHL at present. RHPL is presently a 80.53% subsidiary of GJSHL. Thus, RHPL is also a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL, as aforesaid.

v. The latest annual accounts of RHPL have been audited for the financial year ended on March 31, 2017. RHPL has since also prepared its financial statements as on 30th September, 2017, a copy whereof is included in **Annexure "ES-1**" attached hereto. RHPL has not issued any debentures. The following summary extracted from the said financial statements as at 30th September, 2017 indicates the financial position of RHPL as on the said date as follows:-

Particulars		**Amount in Rupees**
A.	Paid up Share Capital	1,54,17,38,290
B.	Reserves and Surplus	1,50,77,61,612
	Net Shareholders Fund (A+B)	**3,04,94,99,902**
C.	Assets	
	Non Current Assets	5,95,56,35,878
	Current Assets	16,52,87,004
	Total (C)	**6,12,09,22,882**
D.	Liabilities	
	Non Current Liabilities	2,55,93,00,529
	Current Liabilities	51,21,22,452
	Total (D)	**3,07,14,22,981**
	Excess of Assets over Liabilities (C – D)	**3,04,94,99,901**

Subsequent to the date of the aforesaid financial statements, i.e., 30th September, 2017, there has been no substantial change in the financial position of RHPL excepting those arising or resulting from the usual course of business.

vi. The details of Directors and Promoters of RHPL along with their addresses are mentioned herein below:-

Sl. No.	Name	Category	Address
Directors:			
1.	Umesh Saraf	Non Independent Director	WB – 120, Greater Kailash, Part – II, New Delhi – 110 048
2.	Arun Kumar Saraf	Non Independent Director	Western Express Highway, Santacruz (E), Mumbai – 400 055
3.	Varun Saraf	Non Independent Director	6th Floor, Grand Hyatt Residencies, Vakola, Santacruz (East), Mumbai – 400 055
4.	Avali Srinivasan	Non Independent Director	5, Bethel Chedda Nagar, Mumbai – 400 089
5.	Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata – 700 006
6.	Soumya Saha	Independent Director	29, Prasana Kumar Tagore Street, Kolkata – 700 006
Promoters:			
1.	Gjs Hotels Limited	Promoter Group	Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700 098
2.	Asian Hotels (East) Limited	Promoter Group	Hyatt Regency Kolkata, JA-1, Sector – III, Salt Lake City, Kolkata – 700 098

5. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are, inter alia, as follows:-

(A) The Scheme shall be operative from the Appointed Date, i.e. the close of business hours on the 31st day of March, 2016.

(B) In terms of Clause 20 of the Scheme, the same is conditional upon and subject to:

I. Approval of the Scheme by the requisite majorities of the shareholders of GJSHL, AHEL and RHPL and such other classes of persons, if any, as may be directed by the Hon'ble Benches of NCLT at Kolkata and Chennai pursuant to Section 230 of the Companies Act, 2013 ("**the Act**"). In so far as approval of shareholders of AHEL, as aforesaid, is concerned, it is clarified that in terms of paragraphs I(A)9(a) and I(A)9(b) of Annexure I of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015, the Scheme shall be acted upon only if the votes cast by the public shareholders of AHEL in favour of the Scheme are more than the number of votes cast by them against it;

Ii. Sanction of the Scheme by the Hon'ble Benches of NCLT at Kolkata and Chennai.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which all the statutory approvals and sanctions are obtained and certified copies of the order of the Hon'ble Benches of NCLT at Kolkata and Chennai sanctioning the Scheme are filed with the Registrar of Companies. It is clarified that the Scheme was also made subject to approval of the Stock Exchanges where the equity shares of AHEL is listed in terms of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015. The said Stock Exchanges have since already given their Observation letter to AHEL as stated in paragraph 15 hereinafter.

(C) On the approval of the Scheme by the members of GJSHL, AHEL and RHPL pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 48, 61 and 62(1)(c) of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable.

(D) The Scheme provides for (1) Demerger of Demerged Undertaking of GJSHL to AHEL and (2) Reorganisation of Share Capital and Debentures of RHPL.

(E) Demerger of Demerged Undertaking of GJSHL to AHEL

I. *With effect from the Appointed Date,* the Demerged Undertaking of GJSHL, *including all assets, property, rights and powers as well as a*ll debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking shall *be transferred* to AHEL in the manner and subject to the modalities for transfer and vesting detailed in the Scheme.

Ii. The transfer and vesting of the Demerged Undertaking of GJSHL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof.

Iii. AHEL undertakes to engage all the employees of GJSHL engaged in the Demerged Undertaking on the Effective Date on the same terms and conditions on which they are engaged by GJSHL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Demerged Undertaking to AHEL. Accordingly, the services of the said employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with GJSHL. The accumulated balances, if any, standing to the credit of the said employees of the Demerged Undertaking in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by AHEL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by AHEL. Pending the transfer as aforesaid, the dues of the employees of the Demerged Undertaking relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

Iv. All legal or other proceedings by or against GJSHL and relating to the Demerged Undertaking of GJSHL, on the Effective Date and all contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Demerged Undertaking of GJSHL, will be transferred to AHEL and will be enforceable by or against AHEL.

V. With effect from the Appointed Date and up to the Effective Date, GJSHL undertakes to carry on the business of the Demerged Undertaking in the ordinary course of business and GJSHL shall be deemed to have carried on and to be carrying on all business and activities relating to the Demerged Undertaking for and on account of and in trust for AHEL. All profits accruing to GJSHL (including taxes paid thereon) or losses arising or incurred by GJSHL in relation to the Demerged Undertaking for the period falling on and after the Appointed Date to the Effective date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be of AHEL. GJSHL shall be deemed to have held and stood possessed of the properties to be transferred to AHEL for and on account of and in trust for AHEL and, accordingly, GJSHL shall not (without the prior written consent of AHEL) alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the usual course of business.

Vi. Since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger.

Vii. The demerger and transfer of the Demerged Undertaking of GJSHL to AHEL in terms of the said Scheme shall be deemed to have taken place and come into effect prior to reorganisation of Share Capital and Debentures of RHPL in terms of the said Scheme.

Viii. The transfer of assets and liabilities of the Demerged Undertaking from GJSHL to AHEL shall be accounted for in the books of account of GJSHL and AHEL in terms of the Scheme with effect from the Appointed Date. The assets and liabilities of the Demerged Undertaking of GJSHL shall accordingly be transferred to AHEL and incorporated in the books of account of AHEL at their values as appearing in the books of account of GJSHL as on the Appointed Date. A Statement of assets and liabilities of the Demerged Undertaking as appearing in the books of account of GJSHL as on March 31, 2016 is set out in Schedule I of the said Scheme. In the books of GJSHL, the difference between the assets and liabilities of the Demerged Undertaking, being a sum of Rs.2,32,88,33,185/- shall be first adjusted against the Securities Premium Account and credit balance in Profit and Loss Account of GJSHL aggregating to Rs.2,22,15,23,405/- and the remaining difference of Rs.10,73,09,780/- shall be adjusted against the Equity Share Capital of GJSHL by cancelling 1,07,30,978 Equity Shares of Rs.10/- each in the Share Capital of GJSHL.

Ix. In the books of AHEL, the said difference between the book value of the assets and liabilities of the Demerged Undertaking of Rs.2,32,88,33,185/- shall be adjusted in Business Reconstruction Reserves. The value of the investment of AHEL in the Equity Share Capital of GJSHL shall stand reduced from Rs.2,34,63,65,000/- to Rs.3,92,04,730/- consequent to the demerger and cancellation of Equity Shares of GJSHL, as aforesaid. Such reduction in value of investment shall be accounted for by adjusting the same against the Business Reconstruction Reserves account in the books of AHEL. After giving effect to the accounting, as aforesaid, the net credit amount of Rs.2,16,72,915/- lying in the Business Reconstruction Reserve shall be adjusted against the General Reserve Account of AHEL.

X. Subject to the aforesaid, the Board of Directors of GJSHL and AHEL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the demerger in the respective books of account of the said Companies.

Xi. Save and except the Demerged Undertaking of GJSHL and as expressly provided in the said Scheme of Arrangement nothing contained in the said Scheme of Arrangement shall affect the rest of the business, assets and liabilities of GJSHL which shall continue to belong to and be vested in and be managed by GJSHL.

Xii. It is clarified and provided that cancellation of Securities Premium Account and Equity Share Capital of GJSHL in terms of the Scheme shall be effected as an integral part of the Scheme. Such cancellation does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of Share Capital and Securities Premium Account of GJSHL, it shall not be required to add "And Reduced" as suffix to its name

(F) Reorganisation of Share Capital and Debentures of RHPL

I. Consequent to demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, AHEL shall become the holder of all Preference Shares and Debentures of RHPL. With effect from the Appointed Date, and upon the demerger of the Demerged Undertaking of GJSHL to AHEL being effective in terms of the Scheme, the Specified Preference Shares and Specified Debentures of RHPL shall, without any further act or deed, be appropriated towards Equity Share Capital of RHPL to the extent and in the manner as stated hereunder:-

A. 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each (Specified Preference Shares) 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 Rs10/- per share with effect from the Appointed Date.

B. 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each (Specified Debentures) 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.

Ii. It is clarified that another (1) 50,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each which were outstanding as on the Appointed Date have since been already redeemed on 21st September, 2016 and (2) all 89,64,623 1% Preference Shares of Rs.10/- each of RHPL which were outstanding as on the Appointed Date stand converted into Equity Shares of RHPL on 6th March, 2017 in accordance with their terms.

Iii. Upon the Scheme becoming effective, the Authorised Share Capital of RHPL shall stand reorganised and increased to Rs.2,24,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of RHPL shall stand altered accordingly. Consequently, the capital clause of the Memorandum of Association of RHPL shall, upon the Scheme being effective and without any further act, deed, instrument, resolution or writing stand substituted by the following clause:

"*The Authorized Share Capital of the Company is Rs.2,24,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each*".

Iv. It is clarified that the consent of the members of RHPL to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in authorised share capital of RHPL and no further resolution under Sections 13 and 61 or any other applicable provisions of the Act would be required to be separately passed.

V. Upon the Scheme becoming effective, RHPL shall without any further application, act or deed, record, issue and allot an aggregate of 7,00,10,000 Equity Shares credited as fully paid up in RHPL in favour of AHEL consequent to appropriation of the Specified Preference Shares and Specified Debentures of RHPL towards Equity Shares in terms of the said Scheme.

Vi. The Specified Preference Shares and Specified Debentures of RHPL shall stand reorganised and converted accordingly into 7,00,10,000 Equity Shares of Rs.10/- each of RHPL with effect from the Appointed Date. AHEL shall accept such Equity Shares to be issued and allotted to it in RHPL, as above, in full and final satisfaction of all claims in respect of such Specified Preference Shares and Specified Debentures, including in lieu of the amount paid up thereon and all arrears of dividend and interest thereon. It is clarified that the value of such arrears of dividend has been included in the valuation for conversion of the Specified Preference Shares into Equity Shares, as above. Instead of obtaining value of such arrears of dividend in cash, AHEL by the said Scheme has accordingly exercised and shall be deemed to have exercised its option to accept Equity Shares in RHPL in which such value is included.

Vii. The conversion of the Specified Preference Shares and Specified Debentures into Equity Share Capital, as aforesaid, shall be accounted for in the books of account of RHPL and AHEL in terms of the Scheme with effect from the Appointed Date.

Viii. In the books of RHPL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by debiting the face value of the Specified Preference Shares (Rs.43,00,00,000/-) and face value of the Specified Debentures (Rs.1,55,00,00,000/-) to the respective Preference Share Capital Account and Debentures Account and crediting the face value of the 7,00,10,000 Equity Shares of Rs.10/- each (Rs.70,01,00,000/-) issued in lieu thereof and the premium thereon (Rs.70,01,00,000/-) to the respective Equity Share Capital Account and Securities Premium Account and crediting the balance sum of Rs.57,98,00,000/- to the Business Reconstruction Reserve Account of RHPL. After giving effect to the accounting, as aforesaid, the said amount lying in the Business Reconstruction Reserve shall be adjusted against the Capital Reserve Account of RHPL.

Ix. In the books of AHEL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by crediting the Investment Account of AHEL by the entire carrying amounts of AHEL recorded therein towards such Specified Preference Shares (Rs.61,53,74,060/-) and Specified Debentures (Rs.1,55,00,00,000/-) and debiting a sum of Rs.1,40,02,00,000 to such Investment account towards the aggregate of the face value and premium on the said 7,00,10,000 Equity Shares of Rs.10/- each issued on conversion and debiting the balance sum of Rs.76,51,74,060/- to the Business Reconstruction Reserve of AHEL. The resulting debit balance in Business Reconstruction Reserve shall be adjusted against General Reserves in the books of AHEL

(G) GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

I. To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble Benches of NCLT at Kolkata and Chennai and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.

Ii. To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be given by them in terms of the Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from the Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

Note: The above details are the salient features of the Scheme. The shareholders and creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. <u>Board approvals</u>

i. The Board of Directors of GJSHL has at its Board Meeting held on 10th February 2017 by resolution passed unanimously approved the Scheme, as detailed below :

Name of Director	Voted in favour / against / did not participate or vote
Padam Kumar Khaitan	**Voted in favour**
Pawan Kumar Kakarania	**Voted in favour**
Umesh Saraf	**Did not Participate**

Note – Mr. Basab Chakraborty was appointed as an Additional Director of the Company w.e.f. 2nd March, 2017 and then regularised as an Independent Director w.e.f. 28th July, 2017.

ii. The Board of Directors of AHEL has at its Board Meeting held on 10th February 2017 by resolution passed unanimously approved the Scheme, as detailed below :

Name of Director	Voted in favour / against / did not participate or vote
Padam Kumar Khaitan	**Voted in favour**
Rama Shankar Jhawar	**Voted in favour**
Amol Chandra Chakrabortti	**Voted in favour**
Rita Bhimani	**Voted in favour**
Umesh Saraf	**Did not Participate**
Arun Kumar Saraf	**Did not Participate**
Radhe Shyam Saraf	**Did not Participate** .

iii. The Board of Directors of RHPL has at its Board Meeting held on 10th February 2017 by resolution passed unanimously approved the Scheme, as detailed below :

Name of Director	Voted in favour / against / did not participate or vote
Avali Srinivasan	**Voted in favour**
Pawan Kakarania	**Voted in favour**
Soumya Saha	**Voted in favour**
Arun Kumar Saraf	**Did not Participate**
Umesh Saraf	**Did not Participate**
Varun Saraf	**Leave of Absence was granted**

7. Relationship between GJSHL, AHEL and RHPL

GJSHL, AHEL and RHPL presently hold shares inter se as follows:-

	In GJSHL	In AHEL	In RHPL		
	Equity Shares	Equity Shares	Equity Shares	12% Preference Shares (CRPS)	1% Preference Shares (CCPS)
by GJSHL	Nil	Nil	12,41,63,829 (80.53%)	Nil	Nil
by AHEL	1,09,61,000 (100%)	Nil	3,00,10,000 (19.47%)	43,00,000 (100%)	Nil
by RHPL	Nil	Nil	Nil	Nil	Nil
Total cross-holdings	1,09,61,000 (100%)	Nil	15,41,73,829 (100%)	43,00,000 (100%)	Nil
Total Shares issued by the Companies	**1,09,61,000 (100%)**	**1,15,27,797 (100%)**	**15,41,73,829 (100%)**	**43,00,000 (100%)**	**Nil**

As apparent from the aforesaid table, GJSHL is a wholly owned (100%) subsidiary of AHEL while RHPL is80.53% subsidiary of GJSHL. Thus, RHPL is also a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL,.

8. Effect of Scheme on stakeholders.

The effect of the Scheme on the shareholders, creditors, debenture holders, employees, directors, key managerial personnel, promoter and non-promoter shareholders is given in the attached report (**Annexure "ES-2"**) adopted by the respective Board of Directors of the Applicants at their meetings held on 7th November, 2017 pursuant to the provisions of Section 232(2) of the Companies Act, 2013. There will be no adverse effect on account of the Scheme on the said persons. The Scheme is proposed for the advantage of all concerned, including the said persons.

9. Interest of Directors, Key Managerial Personnel and their relatives and Debenture Trustees

The shareholdings of the Directors and Key Managerial Personnel ("KMP") of the GJSHL, AHEL and RHPL and their relatives is set out in **Annexure "ES-3"** attached herewith. Save as aforesaid none of the Directors, KMPs and their relatives have any concern or interest in the Scheme of Arrangement. Since all the Equity Shares of GJSHL are held by AHEL and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger.

10. No investigation proceedings

There are no proceedings pending under Sections 235 to 251 of the Companies Act, 1956 or Sections 210 to 227 of the Companies Act, 2013 against any of GJSHL, AHEL and RHPL.

11. Amounts due to unsecured creditors

i. The respective amounts due to unsecured creditors, as on 30th September, 2017 are as follows:-

Sl. No.	Name of Company	Amount in Rupees
1.	GJS Hotels Limited	3,23,18,44,800
2.	Asian Hotels (East) Limited	4,35,68,117
3.	Robust Hotels Private Limited	1,82,23,67,715

ii. The Scheme embodies the arrangement between GJSHL, AHEL and RHPL and their respective shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of GJSHL or AHEL. The Scheme is an internal restructuring exercise and there would be no change in control or management of the enterprises as such under the Scheme. AHEL and GJSHL each have a substantial excess of assets over liabilities. Upon the Scheme coming into effect, AHEL and GJSHL would continue to have a substantial excess of assets over liabilities and be in a position to meet their liabilities, as and when they accrue and in the ordinary course of business. The creditors of the GJSHL, AHEL and RHPL are not affected adversely in any manner by the Scheme. On the contrary, the Scheme will inure to their benefit and is in their interest. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of capital restructuring is not applicable.

12. Valuation report and Fairness Opinion

i. The share entitlement ratio for the reorganisation of share capital and debentures of RHPL has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. NSBP& Co, Chartered Accountants.

ii. The said valuers used Discounted Cashflow method for valuation of the Specified Preference Shares and Specified Debentures of RHPL and average of Discounted Cashflow method and Net Asset Value method for valuation of Equity Shares of RHPL.

iii. Further details of the valuation will appear from the Valuation Report dated 2nd February, 2017 of Messrs. NSBP & Co, Chartered Accountants on the share entitlement ratio for the reorganisation of share capital and debentures of RHPL, including opinion of Shreenidhi Valuation Consultancy Services on market value of assets of RHPL as mentioned in such opinion, which is attached to this explanatory statement as **Annexure "ES-4"**

iv. D&A Financial Services (P) Limited, independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion which is annexed to this explanatory statement as **Annexure "ES-5**". The said merchant banker concluded as follows :

Based on the examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangement is fair.

A. Fair value of Equity Share of RHPL Rs.20/- per share.

B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	*Value (In Rs. Crores)*	*Number of Units*	*Value per Unit*	*Equity Share Entitlement (per 100 units)*
12% Cumulative Redeemable Preference Shares of RHPL	*64.10*	*43,00,000*	*149.06*	*745*
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	*100.62*	*2,05,00,000*	*49.09*	*245*

13. Shareholding pattern

A. The pre/post-shareholding pattern of AHEL is as follows:-

		Pre Arrangement AHEL		Post Arrangement AHEL	
	Category	No. of Equity Shares	%	No. of Equity Shares	%
(A)	**Shareholding of Promoter & Promoter group**				
(1)	Indian				
(a)	Individuals/Hindu undivided Family	33,463	0.29	33,463	0.29
(b)	Central Government/State Government(s)	0	0	0	0
(c)	Financial Institutions/Banks	0	0	0	0
(d)	Any Other (specify):	0	0	0	0
	Bodies Corporate	0	0	0	0
	Sub-Total (A)(1)	33,463	0.29	33,463	0.29

		Pre Arrangement AHEL		Post Arrangement AHEL	
	Category	No. of Equity Shares	%	No. of Equity Shares	%
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	39,02,027	33.85	39,02,027	33.85
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0
(e)	Any Other (specify)				
	Bodies Corporate	36,30,630	31.49	36,30,630	31.49
	Sub-Total (A)(2)	75,32,657	65.34	75,32,657	65.34
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	75,66,120	65.63	75,66,120	65.63
(B)	**Public Shareholding**				
(1)	**Institutions**				
(a)	Mutual Funds / UTI	425	0	425	0
(b)	Venture Capital Funds	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0
(e)	Foreign Portfolio Investors	3,314	0.03	3,314	0.03
(f)	Financial Institutions / Banks	6,55,899	5.69	6,55,899	5.69
(g)	Insurance Companies	6,18,434	5.36	6,18,434	5.36
(h)	Provident Funds / Pension Funds	0	0	0	0
(i)	Any Other (specify) FCB	38,803	0.34	38,803	0.34
	Foreign Institutional Investors	0	0	0	0
	Sub Total (B)(1)	13,16,875	11.42	13,16,875	11.42
(2)	Central Government / State Government(s) / President of India	0	0	0	0
	Sub Total (B)(2)	0	0	0	0
(3)	**Non-Institutions**				
(a)	Individuals				
	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	10,49,193	9.10	10,49,193	9.10
	ii.Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	2,51,202	2.18	2,51,202	2.18
(b)	NBFCs registered with RBI	242	0	242	0
(c)	Employee Trusts	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
(e)	Any Other (specify)				
	Bodies Corporate	11,32,310	9.82	11,32,310	9.82
	Clearing Member	1,259	0.01	1,259	0.01
	Non Resident Individual	1,13,366	0.98	1,13,366	0.98
	Non Resident Indian Non Repatriable	23,722	0.21	23,722	0.21
	HUF	0	0	0	0
	Domestic Corporate Unclaimed Shares Account	0	0	0	0
	Trusts	10	0	10	0
	Foreign National	0	0	0	0
	IEPF	73,498	0.64	73,498	0.64
	Sub Total (B)(3)	26,44,802	22.94	26,44,802	22.94
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**39,61,677**	**34.37**	**39,61,677**	**34.37**
(C)	Shareholding of Non Promoter - Non Public shareholder				
(1)	Custodian / DR Holder	0	0	0	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	0	0	0	0
	TOTAL (A) + (B) + (C)	**1,15,27,797**	**100**	**1,15,27,797**	**100**

B. Pre and Post Arrangement shareholding pattern of GJSHL:-

The entire existing Issued, Subscribed and Paid up Share Capital of GJSHL of Rs.10,96,10,000/-divided into 1,09,61,000 Equity Shares of Rs.10/- each fully paid is held by AHEL and its nominees. Accordingly, all (100%) shares of GJSHL are held by its said promoter (AHEL). Since all the Equity Shares are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL.

C. Pre and Post Arrangement shareholding pattern of RHPL.

i. Pre-Shareholding Pattern

Sl. No.	Shareholder Name	Type	No. of Shares	% of holding
1.	GJS Hotels Limited	Equity Shares	12,41,63,829	80.53
2.	Asian Hotels (East) Limited	Equity Shares	3,00,10,000	19.47
3.	Asian Hotels (East) Limited	12% Cumulative Redeemable Preference Shares of Rs. 100/- each	43,00,000	100

Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, (a) all the Equity Shares held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into 22,41,83,829 Equity Shares of Rs. 10/- each.

ii. Post-Shareholding Pattern

Sl. No.	Shareholder Name	Type	No. of Shares	% of holding
1.	Asian Hotels (East) Limited	Equity Shares	22,41,83,829	100

D. Pre/post Arrangement capital structure of GJSHL, AHEL and RHPL.

The pre-Arrangement capital structure of GJSHL, AHEL and RHPL is given in paragraphs 4.A(iv), 4.B(iv) and 4.C(iv) above. There will be no change in the capital structure of GJSHL and AHEL consequent to the Scheme. The post arrangement capital structure of RHPL will be as follows:-

Class of Shares – Equity Shares	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of equity shares	22,41,83,830	22,41,83,829	22,41,83,829	22,41,83,829
Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	224,18,38,300	224,18,38,290	224,18,38,290	224,18,38,290

14. Auditors Certificate of conformity of accounting treatment in the Scheme with Accounting Standards

The Auditors of the Applicants have by their respective certificates confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

15. Approvals and intimations in relation to the Scheme

i. GJSHL and RHPL are unlisted Companies while AHEL is a listed Company. The equity shares of AHEL are listed on BSE Limited ("BSE") and The National Stock Exchange of India Limited ("NSE"). Pursuant to the SEBI Circular No. CIR/CFD/DIL/8/2013 dated 30th November, 2015, ("the Circular") AHEL duly filed the Scheme with the said Stock Exchanges on 10th March, 2017. Apart from the same, AHEL has also submitted the Report of its Audit Committee on the Scheme and various other documents to the stock exchanges and also displayed the same on its website and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said Circular was also filed by AHEL, a copy whereof is attached as **Annexure "ES-6"** hereto. BSE and NSE by their respective letters dated 18th May, 2017 and 23rd May, 2017 have since confirmed that they have 'no adverse observation' on the Scheme pursuant to the said SEBI Circular. Copies of the said observation letters are attached as **Annexure "ES-7"** hereto.

ii. Further, the Applicants confirm that notice in the prescribed form is also being served on all Authorities in terms of the Order of the Hon'ble Tribunal dated 21st December, 2017 as modified by an order dated 4th January, 2018 along with copy of this notice, Scheme and other documents accompanying the same.

16. Inspection of Documents

In addition to the documents annexed hereto, the following documents will be open for inspection at the Registered Office of GJSHL and AHEL on any working day, (between 11:00 A.M. to 01:00 P.M.) except Saturdays, Sundays and Public Holidays prior to the date of the meeting:

A. Copies of the order dated 21st December, 2017 and 4th January, 2018 passed by the National Company Law Tribunal, Kolkata Bench in Company Application (CAA) No.516/KB/2017;

B. Memoranda and Articles of Association of GJSHL, AHEL and RHPL;

C. Annual Financial Statements of GJSHL, AHEL and RHPL for the financial year ended 31st March, 2017

D. Financial results of AHEL for the quarter and half year ended 30th September, 2017 submitted to the Stock Exchanges in the prescribed format.

E. Certificates of the Auditors of the Applicants confirming the accounting treatment under the Scheme; and

F. Register of Shareholding of Directors' and Key Managerial Personnel of the Applicants and their relatives of GJSHL and AHEL ;

G. All other documents displayed on the AHEL's website in terms of the SEBI Circular dated 30th September, 2015, including Report of the Audit Committee of AHEL.

Sd/-

Dated this 16 day of January, 2018.

(Ravi S. Asopa)
Chairperson appointed for the Meeting

Drawn on behalf of Applicants by

Sd/-

(Aniket Agarwal)
Advocate for the Applicants
Khaitan & Co, Advocates
1B, Old Post Office Street
Kolkata 700 001

SCHEME OF ARRANGEMENT

(Pursuant to Section 230 of the Companies Act, 2013)

BETWEEN

GJS HOTELS LIMITED

AND

ASIAN HOTELS (EAST) LIMITED

AND

ROBUST HOTELS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

FOR

DEMERGER OF INVESTMENT DIVISION (DEMERGED UNDERTAKING) OF GJS HOTELS LIMITED TO ASIAN HOTELS (EAST) LIMITED

AND

REORGANISATION OF SHARE CAPITAL AND DEBENTURES OF ROBUST HOTELS PRIVATE LIMITED

PART I

(Preliminary)

1. **Definitions:**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

i. "**Act**" means the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

ii. "**NCLT**" means the Hon'ble National Company Law Tribunal.

iii. **"GJSHL"** means GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-3, Salt Lake City, Kolkata 700 098 in the State of West Bengal.

iv. **"AHEL"** means Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-3, Salt Lake City, Kolkata 700 098 in the State of West Bengal.

v. **"RHPL"** means Robust Hotels Private Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at 365, Anna Salai, Teynampet, Chennai 600 018 in the State of Tamil Nadu.

vi. "**Appointed Date**" means the close of business hours on the 31st day of March, 2016.

vii. "**Demerged Undertaking**" means the undertaking of GJSHL engaged in the business of investing in shares and securities and shall mean and include all property, rights and powers and all debts, liabilities, duties and obligations of GJSHL pertaining to the Demerged Undertaking, including:

(a) all properties and assets, real and personal, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situate, as on the Appointed Date relating to the Demerged Undertaking, including all receivables, inventories, cash and bank balances, loans and advances and other assets as appearing in the books of account of GJSHL in relation to the Demerged Undertaking and all other interests or rights in or arising out of or relating to the Demerged Undertaking together with all respective powers, interests, charges, privileges, benefits, entitlements, registrations, intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, excise duty, service tax, etcetera), deferred tax benefits and other benefits appertaining to the Demerged Undertaking and/or to which GJSHL is entitled to in respect of the Demerged Undertaking of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records relating to the Demerged Undertaking;

(b) all debts, liabilities, duties and obligations of GJSHL in relation to the Demerged Undertaking, including liabilities on account of secured loans, unsecured loans and sundry creditors, bonus, gratuity, service tax and other taxation and contingent liabilities of GJSHL pertaining to the Demerged Undertaking; and

(c) all employees of GJSHL engaged in or in relation to the Demerged Undertaking.

viii. "**Effective Date**" means the date or last of the dates on which all the requisite approvals and sanction to the Scheme are obtained and certified copies of the order of the Hon'ble Benches of NCLT at Kolkata and Chennai sanctioning the Scheme are filed with the Registrar of Companies by GJSHL, AHEL and RHPL.

ix. "**Scheme**" means this Scheme of Arrangement pursuant to Section 230 of the Act in the present form or with such modification(s) as sanctioned by the Hon'ble Benches of NCLT at Kolkata and Chennai.

x. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. **Share Capital:**

2.1 The Authorised, Issued, Subscribed and Paid-up Share Capital of GJSHL, AHEL and RHPL as on the date of approval of this Scheme by their Boards of Directors, i.e as on 10th February, 2017 is as under:

i. GJSHL:

Authorised Share Capital:	(Rs.)
1,40,00,000 Equity Shares of Rs.10/- each	14,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
1,09,61,000 Equity Shares of Rs.10/- each fully paid up	10,96,10,000/-

ii. AHEL:

Authorised Share Capital:	(Rs.)
8,90,00,000 Equity Shares of Rs.10/- each	89,00,00,000/-
10,00,000 Preference Shares of Rs.10/- each	1,00,00,000/-
	90,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
1,15,27,797 Equity Shares of Rs.10/- each fully paid up	11,52,77,970/-

iii. RHPL:

Authorised Share Capital:	(Rs.)
9,50,00,000 Equity Shares of Rs.10/- each	95,00,00,000/-
43,00,000 Redeemable Preference Shares of Rs.100/- each	43,00,00,000/-
1,40,00,000 Preference Shares of Rs.10/- each	14,00,00,000/-
	152,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
9,39,42,769 Equity Shares of Rs.10/- each	93,94,27,690/-
43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each ("CRPS")	43,00,00,000/-
89,64,623 1% Compulsorily Convertible Preference Shares of Rs.10/- each ("CCPS")	8,96,46,230/-
	145,90,73,920/-

2.2 GJSHL, AHEL and RHPL hold shares inter se as follows:-

	In GJSHL	**In AHEL**	**In RHPL**		
	Equity Shares	Equity Shares	Equity Shares	12% Preference Shares (CRPS)	1% Preference Shares (CCPS)
by GJSHL	Nil	Nil	6,39,32,769 (68.06%)	Nil	89,64,623 (100%)
by AHEL	1,09,61,000 (100%)	Nil	3,00,10,000 (31.94%)	43,00,000 (100%)	Nil
by RHPL	Nil	Nil	Nil	Nil	Nil
Total cross-holdings	1,09,61,000 (100%)	Nil	9,39,42,769 (100%)	43,00,000 (100%)	89,64,623 (100%)
Total Shares issued by the Companies	**1,09,61,000 (100%)**	**1,15,27,797 (100%)**	**9,39,42,769 (100%)**	**43,00,000 (100%)**	**89,64,623 (100%)**

As will be apparent from the aforesaid table, GJSHL is a wholly owned (100%) subsidiary of AHEL while RHPL is a 68.06% subsidiary of GJSHL. Thus RHPL is also a step down subsidiary of AHEL. All the Equity and Preference Shares of RHPL are held by and between AHEL and GJSHL, as aforesaid.

2.3 In addition to the above, AHEL had also given a loan (short term borrowing) of Rs.373.14 crores to GJSHL and GJSHL had subscribed to and held 2,05,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL as on the Appointed Date. It is clarified that 50,00,000 Debentures out of the said 2,05,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL have since been redeemed by RHPL on 27th September, 2016. It is further clarified that the terms applicable to 89,64,623 1% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.10/- each issued earlier by RHPL were varied on 1st October 2016 to make the said Preference Shares convertible compulsorily. Such Compulsorily Convertible Preference Shares of Rs.10/- each will stand converted into Equity Shares accordingly before 31st March, 2017 in accordance with their terms.

3. **Objects and Reasons**:

i. AHEL is a well established hospitality company engaged primarily in the business of running the `Hyatt Regency' hotel at Salt Lake in Kolkata. In addition, AHEL holds and is engaged in the business of investing in shares and securities of other bodies corporate on both, a short term basis (current investments) and long term basis (non-current investments). AHEL thus also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL. While RHPL is running the `Hyatt Regency' hotel at Anna Salai, Teynampet in Chennai, GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan while the operations of RHPL have also been funded primarily by AHEL and GJSHL by a combination of equity capital, preference capital and debt. While AHEL has been in the hospitality business for several years, the business of GJSHL and RHPL is relatively new. The said Companies have been looking at suitable proposals for restructuring with the objective, inter alia, of simplifying and rationalising their holding and financial structure and pursuing their business more conveniently and beneficially.

ii. In the circumstances and as part of an overall restructuring plan, it is considered desirable and expedient to (1) reconstruct GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganise and convert the outstanding 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("Specified Preference Shares") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("Specified Debentures") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in this Scheme of Arrangement.

iii. The demerger will simplify the holding structure of the subsidiaries of AHEL and result in RHPL also becoming a direct wholly owned (100%) subsidiary of AHEL consequent to transfer of the investment of GJSHL in RHPL to AHEL as part of the demerger. Accordingly, following the demerger, both companies, GHSHL and RHPL will be directly held by AHEL. The same will enable AHEL to optimise returns from its investments in its subsidiaries and to hold such investments more conveniently. The activity of holding and monitoring investments in shares and securities of other bodies corporate, including taking decisions and exercising rights in respect of such investments is already undertaken by AHEL on a much larger scale. As such the investment in RHPL will be held and monitored in AHEL more efficiently and advantageously without detracting from the hotel operating business carried on directly by AHEL or diluting focus thereon.

iv. The demerger will enable GJSHL to pursue operating business with greater focus and attention and facilitate the business considerations and factors applicable to the same to be addressed more effectively and adequately by GJSHL without the responsibility of monitoring investments in RHPL. The demerger will also enable independent evaluation of the said business of GJSHL and facilitate running and operation of such business and growth and development plans thereof to be funded independently.

v. The reorganisation and conversion of the Specified Preference Shares and Specified 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, and enhance its capacity to raise and access funds for growth and development of its business. The conversion into equity will also link returns more closely to performance and provide greater flexibility to the financial structure of RHPL.

vi. As such, the Scheme will enable AHEL and its subsidiaries to pursue their businesses more conveniently and advantageously and unlock shareholders value.

vii. The Scheme will suitably realign and adjust the relationship between the capital and assets of the respective Companies and have beneficial results for the said Companies, their shareholders and all concerned.

PART II

(Demerger of Demerged Undertaking of GJSHL to AHEL)

4. **Transfer of Demerged Undertaking of GJSHL:**

4.1 With effect from the Appointed Date, the Demerged Undertaking of GJSHL shall stand demerged to AHEL. Accordingly, the Demerged Undertaking of GJSHL shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act and subject to the provisions of the Scheme in relation to the mode and transfer of vesting, stand transferred to and vest in or be deemed to be transferred to and vested in AHEL, as a going concern with effect from the Appointed Date for all the estate and interest of GJSHL therein in accordance with and subject to the modalities for transfer and vesting stipulated herein.

4.2 It is expressly provided that in respect of such of the said assets of the said Demerged Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same shall be so transferred by GJSHL and shall become the property of AHEL accordingly as an integral part of the Demerged Undertaking transferred to AHEL, without requiring any deed or instrument of conveyance for the same.

4.3 In respect of such of the assets of the Demerged Undertaking other than those referred to in Clause 4.2 above, the same shall, be transferred to and vested in and/or be deemed to be transferred to and vested in AHEL pursuant to an order passed under the provisions of Section 232 of the Act.

4.4 All debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking as on the close of business on the day immediately preceding the Appointed Date and all other debts, liabilities, duties and obligations of GJSHL relating to the Demerged Undertaking which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceding the Appointed Date shall also be transferred to AHEL, without any further act or deed, pursuant to an order passed under the provisions of Section 232 of the Act, so as to become the debts, liabilities, duties and obligations of AHEL.

4.5 The transfer and vesting of the Demerged Undertaking of GJSHL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof.

4.6 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by GJSHL for the operations of the Demerged Undertaking /or to which GJSHL is entitled to in relation to the Demerged Undertaking in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in AHEL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of AHEL. Since the Demerged Undertaking will be transferred to and vested in AHEL as a going concern without any break or interruption in the operation thereof, AHEL shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective. Further, all benefits, including, under Income Tax, Excise (including Cenvat), Sales Tax etc to which GJSHL is entitled in relation to the Demerged Undertaking in terms of the various Statutes and / or Schemes of Union and State Governments shall be available to and vest in AHEL upon this Scheme becoming effective.

4.7 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, deposits, balances or other outstandings as between AHEL and GJSHL in relation to the Demerged Undertaking, the same shall stand cancelled consequent to transfer of the Demerged Undertaking to AHEL and the obligations in respect thereof shall come to an end. Due effect of such cancellation shall be given in the books of account accordingly with effect from the Appointed Date as a result of such cancellation of inter-company loans, deposits, balances or other outstandings and there would be no accrual of interest or any other charges in respect of the same. The loan (short term borrowing) taken by GJSHL from AHEL in relation to the Demerged Undertaking as on the Appointed Date shall stand cancelled accordingly consequent to transfer of the Demerged Undertaking to AHEL.

4.8 The demerger and transfer of the Demerged Undertaking of GJSHL to AHEL in terms of this Scheme shall be deemed to have taken place and come into effect prior to reorganisation of Share Capital and Debentures of RHPL in terms of Part III of this Scheme.

5. **Legal Proceedings:**

All legal or other proceedings by or against GJSHL and relating to the Demerged Undertaking of GJSHL shall be continued and enforced by or against AHEL only. If proceedings are taken against GJSHL, GJSHL will defend on notice or as per advice of AHEL at the costs of AHEL and AHEL will indemnify and keep indemnified GJSHL from and against all liabilities, obligations, actions, claims and demands in respect thereof.

6. **Contracts and Deeds:**

Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Demerged Undertaking to which GJSHL is a party or to the benefit of which GJSHL may be eligible, and which have not lapsed and are subsisting on the Effective Date shall remain in full force and effect against or in favour of AHEL as the case may be, and may be enforced by or against AHEL as fully and effectually as if, instead of GJSHL, AHEL had been a party thereto.

7. **Saving of Concluded Transactions:**

The transfer and vesting of the properties and liabilities of the Demerged Undertaking under Clause 4 above, the continuance of the legal proceedings by or against AHEL under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceeding relating to the Demerged Undertaking already completed by GJSHL on or before the Effective Date to the end and intent that AHEL accepts all acts, deeds and things relating to the Demerged Undertaking done and executed by and/or on behalf of GJSHL as acts, deeds and things done and executed by and on behalf of AHEL.

8. **Employees:**

On and from the Effective Date:

8.1 AHEL undertakes to engage all the employees of GJSHL engaged in the Demerged Undertaking on the Effective Date on the same terms and conditions on which they are engaged by GJSHL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Demerged Undertaking to AHEL.

8.2 Accordingly, the services of the said employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with GJSHL.

8.3 The accumulated balances, if any, standing to the credit of the said employees of the Demerged Undertaking in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by AHEL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by AHEL. Pending the transfer as aforesaid, the dues of the employees of the Demerged Undertaking relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

9. **Business in trust for AHEL:**

With effect from the Appointed Date and upto and including the Effective Date:

9.1 GJSHL undertakes to carry on the business of the Demerged Undertaking in the ordinary course of business and GJSHL shall be deemed to have carried on and to be carrying on all business and activities relating to the Demerged Undertaking for and on account of and in trust for AHEL.

9.2 All profits accruing to GJSHL (including taxes paid thereon) or losses arising or incurred by GJSHL in relation to the Demerged Undertaking for the period falling on and after the Appointed Date to the Effective date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be of AHEL.

9.3 GJSHL shall be deemed to have held and stood possessed of the properties to be transferred to AHEL for and on account of and in trust for AHEL and, accordingly, GJSHL shall not (without the prior written consent of AHEL) alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the usual course of business.

10. **No issue of Shares:**

Since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger.

11. **Accounting:**

11.1 The transfer of assets and liabilities of the Demerged Undertaking from GJSHL to AHEL shall be accounted for in the books of account of GJSHL and AHEL in terms of this Scheme with effect from the Appointed Date.

11.2 The assets and liabilities of the Demerged Undertaking of GJSHL shall accordingly be transferred to AHEL and incorporated in the books of account of AHEL at their values as appearing in the books of account of GJSHL as on the Appointed Date. A Statement of assets and liabilities of the Demerged Undertaking as appearing in the books of account of GJSHL as on March 31, 2016 is set out in Schedule I hereto.

11.3 In the books of GJSHL, the difference between the assets and liabilities of the Demerged Undertaking, being a sum of Rs.232,88,33,185/- shall be first adjusted against the Securities Premium Account and credit balance in Profit and Loss Account of GJSHL aggregating to Rs.222,15,23,405/- and the remaining difference of Rs.10,73,09,780/- shall be adjusted against the Equity Share Capital of GJSHL by cancelling 1,07,30,978 Equity Shares of Rs.10/- each in the Share Capital of GJSHL.

11.4 In the books of AHEL, the said difference between the book value of the assets and liabilities of the Demerged Undertaking of Rs.232,88,33,185/- shall be adjusted in Business Reconstruction Reserves. The value of the investment of AHEL in the Equity Share Capital of GJSHL shall stand reduced from Rs.234,63,65,000/- to Rs.3,92,04,730/- consequent to the demerger and cancellation of Equity Shares of GJSHL, as aforesaid. Such reduction in value of investment shall be accounted for by adjusting the same against the Business Reconstruction Reserves account in the books of AHEL. After giving effect to the accounting, as aforesaid, the net credit amount of Rs.2,16,72,915/- lying in the Business Reconstruction Reserve shall be adjusted against the General Reserve Account of AHEL.

11.5 Subject to the aforesaid, the Board of Directors of GJSHL and AHEL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the demerger in the respective books of account of the said Companies.

12. **Post Scheme conduct of business:**

Even after this Scheme becomes operative, AHEL shall be entitled to operate all Bank Accounts and Demat Accounts and realise all monies and complete and enforce all pending contracts and transactions relating to the Demerged Undertaking in the name of GJSHL and in so far as may be necessary until the transfer of rights and obligations of the said Demerged Undertaking to AHEL under this Scheme is formally accepted by the parties concerned.

13. **Remaining Business:**

Save and except the Demerged Undertaking of GJSHL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the business, assets and liabilities of GJSHL which shall continue to belong to and be vested in and be managed by GJSHL.

PART III

(Reorganisation of Share Capital and Debentures of RHPL)

14. **Appropriation to Equity Share Capital**

14.1 Consequent to demerger of the Demerged Undertaking of GJSHL to AHEL in terms of this Scheme, AHEL shall become the holder of all Preference Shares and Debentures of RHPL. With effect from the Appointed Date, and upon the demerger of the Demerged Undertaking of GJSHL to AHEL being effective in terms of this Scheme, the Specified Preference Shares and Specified Debentures of RHPL shall, without any further act or deed, be appropriated towards Equity Share Capital of RHPL to the extent and in the manner as stated hereunder:-

i. 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each (Specified Preference Shares) 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 Rs10/- per share with effect from the Appointed Date.

ii. 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each (Specified Debentures) 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.

14.2 It is clarified that another (1) 50,00,000, 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each which were outstanding as on the Appointed Date have since been already redeemed on 27th September, 2016 and (2) all 89,64,623 1% Preference Shares of Rs.10/- each of RHPL which were outstanding as on the Appointed Date will stand converted into Equity Shares of RHPL before 31st March, 2017 in accordance with their terms, as stated in clause 2.3 above, and hence are not required to be dealt with in clause 14.1 above.

15. **Increase of Authorised Share Capital of RHPL**

15.1 Upon the Scheme becoming effective, the Authorised Share Capital of RHPL shall stand reorganised and increased to Rs.224,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of RHPL shall stand altered accordingly. Consequently, the capital clause of the Memorandum of Association of RHPL shall, upon the Scheme being effective and without any further act, deed, instrument, resolution or writing stand substituted by the following clause:

"The Authorized Share Capital of the Company is Rs.224,18,38,300/- divided into 22,41,83,830 Equity Shares of Rs.10/- each ".

15.2 It is clarified that for the purposes of Clause 15.1 above, the consent of the members of RHPL to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in authorised share capital of RHPL and no further resolution under Sections 13 and 61 or any other applicable provisions of the Act would be required to be separately passed.

16. **Conversion to Equity Share Capital**

16.1 Upon the Scheme becoming effective, RHPL shall without any further application, act or deed, record, issue and allot an aggregate of 7,00,10,000 Equity Shares credited as fully paid up in RHPL in favour of AHEL consequent to appropriation of the Specified Preference Shares and Specified Debentures of RHPL towards Equity Shares in terms of Clause 14.1 hereof.

16.2 The Specified Preference Shares and Specified Debentures of RHPL shall stand reorganised and converted accordingly into 7,00,10,000 Equity Shares of Rs.10/- each of RHPL with effect from the Appointed Date. AHEL shall accept such Equity Shares to be issued and allotted to it in RHPL, as above, in full and final satisfaction of all claims in respect of such Specified Preference Shares and Specified Debentures, including in lieu of the amount paid up thereon and all arrears of dividend and interest thereon.. It is clarified that the value of such arrears of dividend has been included in the valuation for conversion of the Specified Preference Shares into Equity Shares, as above. Instead of obtaining value of such arrears of dividend in cash, AHEL by this Scheme has accordingly exercised and shall be deemed to have exercised its option to accept Equity Shares in RHPL in which such value is included.

17. **Accounting**

17.1 The conversion of the Specified Preference Shares and Specified Debentures into Equity Share Capital, as aforesaid, shall be accounted for in the books of account of RHPL and AHEL in terms of this Scheme with effect from the Appointed Date.

17.2 In the books of RHPL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by debiting the face value of the Specified Preference Shares (Rs.43,00,00,000/-) and face value of the Specified Debentures (Rs.155,00,00,000/-) to the respective Preference Share Capital Account and Debentures Account and crediting the face value of the 7,00,10,000 Equity Shares of Rs.10/- each (Rs.70,01,00,000/-) issued in lieu thereof and the premium thereon (Rs.70,01,00,000/-) to the respective Equity Share Capital Account and Securities Premium Account and crediting the balance sum of Rs.57,98,00,000/- to the Business Reconstruction Reserve Account of RHPL. After giving effect to the accounting, as aforesaid, the said amount lying in the Business Reconstruction Reserve shall be adjusted against the Capital Reserve Account of RHPL.

17.3 In the books of AHEL, the conversion of the Specified Preference Shares and Specified Debentures, as aforesaid, shall be accounted for as on the Appointed Date by crediting the Investment Account of AHEL by the entire carrying amounts of AHEL recorded therein towards such Specified Preference Shares (Rs.61,53,74,060/-) and Specified Debentures (Rs.155,00,00,000/-) and debiting a sum of Rs.140,02,00,000 to such Investment account towards the aggregate of the face value and premium on the said 7,00,10,000 Equity Shares of Rs.10/- each issued on conversion and debiting the balance sum of Rs.76,51,74,060/- to the Business Reconstruction Reserve of AHEL. The resulting debit balance in Business Reconstruction Reserve shall be adjusted against General Reserves in the books of AHEL.

PART IV

(General/ Miscellaneous Provisions)

18. **Applications:**

GJSHL and AHEL shall, with all reasonable dispatch, make necessary applications pursuant to Sections 230 and 232 of the Act to the Hon'ble Bench of NCLT at Kolkata for sanction and carrying out of the Scheme. RHPL shall, with all reasonable dispatch, also make necessary applications pursuant to Section 230 of the Act to the Hon'ble Bench of NCLT at Chennai for sanction of the Scheme. GJSHL, AHEL and RHPL shall also apply for such other approvals as may be necessary in law, if any, for bringing the Scheme into effect. Further, GJSHL, AHEL and RHPL shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

19. **Approvals and Modifications:**

GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

19.1 To assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble Benches of NCLT at Kolkata and Chennai and / or any authorities under law may deem fit to approve or direct or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.

19.2 To settle all doubts or difficulties that may arise in carrying out the Scheme; to give their approval to all such matters and things as is contemplated or required to be given by them in terms of this Scheme; and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect.

Without prejudice to the generality of the foregoing GJSHL, AHEL and RHPL (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

20. **Scheme Conditional Upon:**

The Scheme is conditional upon and subject to:

20.1 Approval of the Scheme by the requisite majorities of the shareholders of GJSHL, AHEL and RHPL and such other classes of persons, if any, as may be directed by the Hon'ble Benches of NCLT at Kolkata and Chennai pursuant to Section 230 of the Act. In so far as approval of shareholders of AHEL, as aforesaid, is concerned, it is clarified that in terms of paragraphs I(A)9(a) and I(A)9(b) of Annexure I of SEBI Circular dated 30th November, 2015, the Scheme shall be acted upon only if the votes cast by the public shareholders of AHEL in favor of the Scheme are more than the number of votes cast by them against it;

20.2 Approval of the Scheme by the Stock Exchanges where AHEL is listed in terms of the Securities and Exchange Board of India (SEBI) Circular dated 30 November 2015; and

20.3 Sanction of the Scheme by the Hon'ble Benches of NCLT at Kolkata and Chennai.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which all the aforesaid approvals and sanction are obtained and certified copies of the order of the Hon'ble Benches of NCLT at Kolkata and Chennai sanctioning the Scheme are filed with the Registrar of Companies.

21. **Costs, Charges and Expenses:**

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto upto the stage of sanction of this Scheme, shall be borne and paid by AHEL.

22. **Residual Provisions:**

22.1 GJSHL, AHEL and RHPL shall not at any time during the period commencing from the date of approval of this Scheme by the Board of Directors of the said Companies and ending with the Effective Date make any change in their capital structure either by way of increase (by issue of equity shares on a rights or preferential allotment basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Boards of Directors of GJSHL, AHEL and RHPL.

22.2 The transition adjustments, if any, due to transition to the new Indian Accounting Standards prescribed by the Companies (Indian Accounting Standards) Rules, 2015 from 1st April, 2016 are to be made only after giving effect to the accounting for the demerger and reorganisation and conversion of Share Capital and Debentures as per this Scheme, in accordance with the earlier Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 which were applicable upto the Appointed Date. Accordingly, it is clarified that no such transition adjustments shall be required to be made in the books of GJSHL and AHEL in respect of the assets and liabilities of the Demerged Undertaking or in the books of RHPL and AHEL in respect of conversion of the Specified Preference Shares and Debentures. Such transition adjustments, if any, shall be required to be made only in respect of the other assets and liabilities of the companies.

22.3 On the approval of the Scheme by the members of GJSHL, AHEL and RHPL pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under Sections 13, 48, 61 and 62(1)(c) of the Companies Act, 2013 or any other provisions of the Act to the extent the same may be considered applicable.

22.4 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of Securities Premium Account and Equity Share Capital of GJSHL in terms of this Scheme shall be effected as an integral part of this Scheme. Such cancellation does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital. Further, since such cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. It is further clarified and provided that notwithstanding such cancellation of Share Capital and Securities Premium Account of GJSHL, it shall not be required to add "And Reduced" as suffix to its name.

22.5 The demerger and transfer and vesting of the Demerged Undertaking of GJSHL to AHEL under this Scheme has been proposed in compliance with the provisions of Section 2(19AA) of the Income-Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.

Schedule I

Statement of Assets and Liabilities of Demerged Undertaking as on March 31, 2016

Assets	**Rs. in Lakhs**
Fixed Assets	-
Long term loans & advances	-
Other non-current assets	-
Investments	602,32,42,553
Current Assets, Loans and Advances	
Inventories	-
Trade receivables	-
Cash and Bank Balances	75,034
Loans & Advances	2,18,500
Advance to Hotel division	3,49,11,362
Other Current & Non- Current Assets	18,45,000
Net Current Assets	
Total Assets	6,06,02,92,449
Current Liabilities & Provisions	
Short term borrowings from AHEL	373,14,18,600
Trade payables	-
Other Current Liabilities	26,212
Short-term provisions	-
Non-Current Liabilities	
Long Term provisions	14,452
Total Liabilities	373,14,59,264
Net Asset (Credit)	**2,32,88,33,185**

Annexure "ES-1"

SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
BALANCE SHEET FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in

Particulars	Note	As at 30.09.2017	As at 31.03.2017
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	1	1,131,180,254	1,161,792,199
(b) Capital work in progress	2	3,473,387	90,450
(c) Financial assets			
(i) Investments	3	3,755,823,616	3,773,867,363
(ii) Other financial assets	4	11,457,025	11,537,025
(d) Income tax assets (net)	5	91,572,387	85,501,434
(e) Other non-current assets	6	-	274,879
		4,993,506,669	5,033,063,350
(2) Current assets			
(a) Inventories	7	28,822,319	26,365,280
(b) Financial assets			
(i) Investments	3	621,200,459	664,449,739
(ii) Trade receivables	8	75,023,210	57,612,270
(iii) Cash and cash equivalents	9	27,233,268	49,585,412
(iv) Loans	10	3,428,071,775	3,264,005,075
(v) Other financial assets	4	24,569,803	26,136,487
(c) Other current assets	6	41,290,075	25,748,700
		4,246,210,909	4,113,903,963
Total Assets		**9,239,717,577**	**9,146,967,313**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	115,277,970	115,277,970
(b) Other equity	12	8,769,196,724	8,770,056,839
		8,884,474,694	8,885,334,809
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	13	1,539,000	1,574,000
(b) Provisions	14	21,057,126	19,877,612
(c) Deferred tax liabilities (net)	15	100,087,766	102,166,952
		122,683,892	123,618,564
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	16	114,875,168	85,352,522
(ii) Other financial liabilities	13	15,818,047	19,449,024
(b) Provisions	14	3,091,294	3,091,294
(c) Other current liabilities	17	98,774,483	30,121,100
		232,558,992	138,013,940
Total Equity & Liabilities		**9,239,717,577**	**9,146,967,313**

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in

	Particulars	Note	Halfyear ended 30.09.2017	Year ended 31.03.2017
I	Revenue from operations	18	461,409,438	983,179,371
II	Other income	19	31,513,248	87,927,684
III	**Total Income**		**492,922,686**	**1,071,107,055**
IV	Expenses			
	Consumption of provisions, beverages, smokes & others	20	61,326,842	132,022,685
	Employee benefits expenses	21	95,260,356	200,292,418
	Finance cost	22	-	5,005,323
	Depreciation and amortization expenses	1	31,553,376	63,779,181
	Other expenses	23	229,327,609	467,489,988
	Total expenses		417,468,184	868,589,595
V	Profit / (loss) before exceptional items and tax		75,454,502	202,517,460
VI	Exceptional items		-	33,623,719
VII	Profit / (loss) before tax		75,454,502	168,893,741
VIII	Tax expense			
	(1) Current tax		21,666,222	52,331,941
	(2) Deferred tax		(2,079,186)	(12,189,422)
	(3) MAT Credit		-	-
	(4) Tax for earlier years		-	(826,826)
IX	**Profit / (loss) for the period**		**55,867,466**	**129,578,048**
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit liability		-	(24,686)
	Equity instruments through other comprehensive income		(28,978,410)	22,806,801
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	8,543
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			(28,978,410)	22,790,658
XI	**Total comprehensive income for the period**		**26,889,056**	**152,368,706**
XII	Earnings per equity share			
	(1) Basic		4.85	11.28
	(2) Diluted		4.85	11.28

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in

Particulars	Equity Share Capital	Reserves and Surplus					Other Comprehensive Income		Total equity attributable to equity holders of the Company
		Retained earnings	General Reserve	Securities premium account	Capital Redemption Reserve	Capital reserve	Equity instruments through other comprehensive income	Other items of other comprehensive income	
As at 01.4.2016	114,405,850	2,363,461,550	6,462,374,116	14,612,822	2,000,000	141,043	-	304,284	8,957,099,615
Change in equity for the year ended March 31, 2017									
Shares issue during the year	32,142,840								32,142,840
Shares cancelled on merger	(31,270,720)								(31,270,720)
Profit for the period	-	129,578,048	-	-	-	-	-	-	129,578,048
Dividend	-	(22,881,170)	-	-	-	-	-	-	(22,881,170)
Corporate dividend tax	-	(4,658,068)	-	-	-	-	-	-	(4,658,068)
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	(16,143)	(16,143)
Equity instruments through OCI	-	-	-	-	-	-	22,806,801	-	22,806,801
Share premium reserve utilised on cancellation of shares	-	-	(983,253,246)	(14,612,822)	-	417,857,160	-	-	(580,008,908)
Addition on account of merger	-	260,030,620	121,611,685			-	-	-	381,642,514
Profit transferred to general reserve	-	(15,000,000)	15,000,000	-	-	-	-	-	-
As at 31.3.2017	115,277,970	2,711,431,189	5,615,532,555	-	2,000,000	417,998,203	22,806,801	288,091	8,885,334,809
Change in equity for the halfyear ended Sept. 30, 2017									
Profit for the period	-	55,867,466	-	-	-	-	-	-	55,867,466
Dividend	-	(23,055,594)	-	-	-	-	-	-	(23,055,594)
Corporate dividend tax	-	(4,693,577)	-	-	-	-	-	-	(4,693,577)
Remeasurement of defined benefit liability, net of tax	-	-	-	-	-	-	-	-	-
Equity instruments through OCI	-	-	-	-	-	-	(28,978,410)	-	(28,978,410)
Profit transferred to general reserve	-	-	-	-	-	-	-	-	-
As at 30.09.2017	115,277,970	2,739,549,484	5,615,532,555	-	2,000,000	417,998,203	(6,171,609)	288,091	8,884,474,694

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE QUARTER ENDED 30.09.2017

1. PROPERTY, PLANT & EQUIPMENT

Amount in

Particulars	Leasehold Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
Gross Block (at cost)						
As at 01.04.2016	267,042,819	999,017,100	745,907,217	182,548,417	9,185,489	2,203,701,042
Additions	-	1,706,231	3,972,518	2,048,832	-	7,727,581
Disposals	-	-	123,924,086	18,007,990	-	141,932,076
As at 31.03.2017	267,042,819	1,000,723,331	625,955,649	166,589,259	9,185,489	2,069,496,547
Additions	-	-	346,594	603,968	-	950,562
Disposals	-	-	182,624	-	-	182,624
As at 30.09.2017	**267,042,819**	**1,000,723,331**	**626,119,619**	**167,193,227**	**9,185,489**	**2,070,264,485**
Depreciation						
As at 01.04.2016	-	212,650,650	582,476,303	164,575,082	7,883,041	967,585,076
Charge for the year	-	16,250,187	45,665,811	1,529,959	333,224	63,779,181
Disposals	-	-	106,606,950	17,052,959	-	123,659,909
As at 31.03.2017	-	228,900,837	521,535,164	149,052,082	8,216,265	907,704,348
Charge for the year	-	7,870,143	22,705,858	810,308	167,068	31,553,376
Disposals	-	-	173,493	-	-	173,493
As at 30.09.2017	**-**	**236,770,980**	**544,067,529**	**149,862,390**	**8,383,333**	**939,084,231**
Net Block						
As at 31.03.2017	267,042,819	771,822,494	104,420,485	17,537,177	969,224	1,161,792,199
As at 30.09.2017	**267,042,819**	**763,952,351**	**82,052,090**	**17,330,837**	**802,156**	**1,131,180,254**

2. CAPITAL WORK IN PROGRESS

Amount in

Particulars	Building	Plant & Equipment	Furniture & Fixtures	Total
As at 01.04.2016	16,342,029	-	-	16,342,029
Additions	-	-	-	-
Deductions	16,251,579	-	-	16,251,579
As at 31.03.2017	90,450	-	-	90,450
Additions	308,225	3,074,712	-	3,382,937
Deductions	-	-	-	-
As at 30.09.2017	**398,675**	**3,074,712**	**-**	**3,473,387**

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

3. INVESTMENTS *Amount in .*

Particulars	Non - current	
	As at 30.09.2017	As at 31.03.2017
Unquoted		
Investment in Equity Shares carried at cost		
Investment in equity shares of subsidiary - G.S Hotels Limited		
10,961,000 (previous year: 10,961,000) equity shares of 10/- each fully paid up	2,346,365,000	2,346,365,000
Investment in equity shares of subsidiary - Robust Hotels Private Limited		
30,010,000 (previous year: 30,010,000) equity shares of 10/- each fully paid up	300,175,000	300,175,000
Investment in equity shares of subsidiary - Regency Convention Centre & Hotels Limited		
91,652 (previous year: 91,652) equity shares of 10/- each fully paid up	257,901,724	257,901,724
	2,904,441,724	2,904,441,724
Investment in Preference Shares carried at amortised cost		
Investment in preference shares of subsidiary - Robust Hotels Pvt. Ltd.		
4,300,000 (previous year: 4,300,000) 12% cumulative redeemable preference shares of 100/-each fully paid up	615,374,060	615,374,060
	615,374,060	615,374,060
Quoted		
Investment carried at FVTOCI		
Investment in equity shares of Asian Hotels (West) Limited		
524,438 (previous year: 458,377) equity shares of 10/- each fully paid up	86,007,832	104,051,579
Investment carried at amortised cost		
Investment in Bonds of Indian Railways Financial Corporation Limited		
150,000 (previous year: 150,000) 8.23% tax free bonds of 1000/-each	150,000,000	150,000,000
	236,007,832	254,051,579
	3,755,823,616	3,773,867,363
Aggregate value of quoted investments	236,007,832	254,051,579
Aggregate value of unquoted investments	3,519,815,784	3,519,815,784
Aggregate amount of provision for diminution in value of investments	-	-

3. INVESTMENTS *Amount in .*

Particulars	No. of Units		Current	
	As at	As at	As at 30.09.2017	As at 31.03.2017
			₹	₹
Unquoted, fully paid up				
Investment carried at FVTPL				
Investment in units of mutual funds				
Birla Sun Life Cash Plus -DDR	566,819	-	56,803,632	-
Franklin India Ultra Short Bond Fund-SIP-DDR	8,136,943	-	82,084,647	-
ICICI Prudential Flexible Income Plan-DDR	687,551	1,887,568	72,698,792	199,625,766
ICICI Prudential Savings Fund - DDR	-	1,014,163	-	102,862,505
UTI Short Term Income Fund-Institutional Plan - Growth	13,007,280	13,007,280	268,817,560	259,345,659
UTI Treasury Advantage Fund -Inst.Plan-DDR	140,343	102,368	140,795,828	102,615,809
			621,200,459	664,449,739
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			621,200,459	664,449,739
Aggregate amount of adjustments to impairment in value of investments			-	-

4. OTHER FINANCIAL ASSETS *Amount in .*

Particulars	Non - current	
	As at 30.09.2017	As at 31.03.2017
Security deposits	11,457,025	11,537,025
	11,457,025	11,537,025

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in .

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Advance to Regency Convention Centre and Hotels Limited	14,100,474	13,970,474
Interest accrued but not due	6,017,274	12,166,013
Interest accrued and due	4,452,055	-
	24,569,803	**26,136,487**

5. INCOME TAX ASSETS (net)

Amount in rs.

	Non - current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Income tax assets	441,655,258	413,918,083
Less: Provision for taxes	350,082,871	328,416,649
	91,572,387	**85,501,434**

6. OTHER ASSETS

Amount in rs.

	Non-current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Capital advance	-	274,879
	-	**274,879**

Amount in rs.

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Advance to suppliers	25,129,379	8,172,669
Prepaid expenses	10,651,458	10,484,655
Balance with statutory authorities	5,509,158	7,091,376
	41,290,075	**25,748,700**

7. INVENTORIES

Amount in rs.

	Non-current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Food, Liquor & Tobacco	26,410,693	23,882,128
General Stores and Spares	2,411,626	2,484,152
	28,822,319	**26,366,280**

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

8. TRADE RECEIVABLES

Amount in rs.

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Exceeding 6 months from payment due date		
- Unsecured, considered good	-	-
- Doubtful	-	1,089,475
	-	1,089,475
- Less: allowance for bad & doubtful debts	-	1,089,475
	-	-
Other trade receivables		
- Unsecured, considered good	75,023,210	57,612,270
- Doubtful	1,150,288	528,756
	76,173,498	58,141,026
- Less: allowance for bad & doubtful debts	1,150,288	528,756
	75,023,210	57,612,270
	75,023,210	**57,612,270**

9. CASH & CASH EQUIVALENTS

Amount in rs.

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Balance with banks		
In current accounts	(789,736)	23,804,844
In fixed deposit accounts *	20,000,000	20,000,000
In unpaid dividend accounts	4,849,749	4,414,916
Cash on hand (including Stamps in hand 189,673)	2,618,355	1,023,005
Cheques on hand	554,900	342,646
	27,233,268	**49,585,412**

* The Company maintains an overdraft account and has given revolving letter of credit to West Bengal State Electricity Distribution Company Limited secured against fixed deposits.

10. LOANS

Amount in rs.

	Current	
Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Loans/advance to subsidiary companies		
GJS Hotels Limited	3,231,844,800	3,230,204,800
Robust Hotels Pvt. Ltd.	162,500,000	-
Other loans and advances		
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels Ltd.	33,448,275	33,448,275
Employee advance	278,700	352,000
	3,428,071,775	**3,264,005,075**

11. SHARE CAPITAL

Amount in rs.

Particulars	**As at 30.09.2017**	**As at 31.03.2017**
Authorised Shares		
89,000,000 Equity shares of Rs. 10/- each	890,000,000	140,000,000
1,000,000 Preference shares of 10/- each	10,000,000	10,000,000
Issued, subscribed & paid up		
11,527,797 (previous year: 11,527,797) Equity Shares of 10/- each	115,277,970	115,277,970
Total	**115,277,970**	**115,277,970**

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	**As at 30.09.2017**	**As at 31.03.2017**
At the beginning of the year	11,527,797	11,440,585
Issued during the year	-	3,214,284
Cancelled during the year	-	(3,127,072)
At the end of the year	11,527,797	11,527,797

Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per 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.

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Details of shareholders Holding more than 5% shares in the Company

Equity shares	As at 30.09.2017	As at 31.03.2017	As at 30.09.2017	As at 31.03.2017
	% of Holding	% of Holding	No. of Shares	No. of Shares
Saraf Industries Limited	31.49%	31.49%	3,530,630	3,530,630
Radhe Shyam Saraf	28.49%	28.49%	3,284,680	3,284,680
Axis Bank Limited	5.42%	5.42%	624,487	624,487
Ratna Saraf	5.36%	5.36%	617,347	617,347

12. OTHER EQUITY

Amount in rs.

Particulars	As at 30.09.2017	As at 31.03.2017
Capital reserve	417,998,203	417,998,203
Capital redemption reserve	2,000,000	2,000,000
Securities premium reserve	-	-
General reserve	5,615,532,555	5,615,532,555
Retained earnings	2,739,549,484	2,711,431,189
FVTOCI reserve	(5,883,518)	28,094,892
	8,769,196,724	8,770,056,839

13. OTHER FINANCIAL LIABILITIES

Amount in rs.

Particulars	Non-Current	
	As at 30.09.2017	As at 31.03.2017
Security deposit	1,539,000	1,574,000
	1,539,000	1,574,000

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Salary payable	3,060,403	8,324,967
Unpaid dividends	4,849,749	4,414,916
Expenses payable	7,847,893	6,649,141
Security deposit	60,000	60,000
	15,818,047	19,449,024

14. PROVISIONS

Amount in rs.

Particulars	Non-Current	
	As at 30.09.2017	As at 31.03.2017
Provision for gratuity	15,506,982	15,302,754
Provision for leave benefits	5,550,144	4,574,858
	21,057,126	19,877,612

Amount in

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Provision for gratuity	2,267,519	2,267,519
Provision for leave benefits	823,775	823,775
	3,091,294	3,091,294

15. DEFERRED TAX LIABILITIES

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Deferred tax liabilities		
On fiscal allowances of fixed assets	170,639,047	174,283,094
	170,639,047	174,283,094
Deferred tax assets		
On Employees' separation and retirement etc.	9,265,388	10,668,204
On Provision for doubtful debts / advances	398,092	560,037
MAT credit entitlement	60,887,901	60,887,901
Other timing differences	-	-
	70,551,281	72,116,142
	100,087,766	102,166,952

16. TRADE PAYABLES

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Trade payables	114,875,168	85,352,522
	114,875,168	85,352,522

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

17. OTHER LIABILITIES

Amount in rs.

Particulars	Current	
	As at 30.09.2017	As at 31.03.2017
Advance from customers	79,890,869	23,771,320
Statutory dues	18,883,614	6,349,780
Operation / Corporate	0	-
	98,774,483	30,121,100

18. REVENUE FROM OPERATIONS

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Sale of products		
Wines and Liquor	36,902,517	64,644,238
Food, Other Beverages and Smokes	189,021,454	409,102,023
	225,923,971	473,746,261
Sale of services		
Rooms	198,778,378	414,373,682
Banquet income (only rental portion)	5,864,431	23,735,321
Health & spa	14,618,945	29,414,655
Laundry & dry cleaning	6,624,215	12,923,237
Auto rental	4,440,535	9,543,627
Communication	406,933	1,235,165
Service Charge	1,927,415	11,593,651
Other operating revenue	2,824,614	6,613,772
	235,485,467	509,433,110
	461,409,438	983,179,371

19. OTHER INCOME

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Interest income from non-current investments	6,189,411	12,345,000
Interest income - others	5,078,769	8,517,097
Dividend on current investment	9,580,221	11,542,125
Fair value gain on current investments	9,198,212	54,059,102
Profit on sale of fixed assets	10,956	-
Excess provision written back	1,357,173	1,214,360
Miscellaneous income	98,506	250,000
	31,513,248	87,927,684

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

20. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Opening Stock	23,882,128	15,008,371
Add : Purchases	63,855,407	140,896,442
	87,737,535	155,904,813
Less : Closing Stock	26,410,693	23,882,128
	61,326,842	132,022,685

21. EMPLOYEE BENEFIT EXPENSES

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Salaries, wages & bonus	80,742,091	166,613,744
Contribution to provident & other funds	5,978,972	10,771,529
Staff welfare expenses	7,695,531	17,553,843
Recruitment & training	843,763	5,353,302
	95,260,356	200,292,418

22. FINANCE COST

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Interest on loan against securities	-	1,685,348
Interest on bank overdraft	-	64,257
Interest on inter-corporate deposit	-	3,255,610
Interest on late payment of TDS	-	102
	-	5,005,323

23. OTHER EXPENSES

Amount in rs.

Particulars	Halfyear Ended 30th Sept 2017	Year Ended 31st March 2017
Contract labour and service	24,499,821	47,481,007
Room, catering & other supplies	25,916,398	46,746,575
Linen & operating equipments consumption	2,132,020	5,785,139
Fuel, power & light	57,567,195	96,138,170
Repairs, maintenance & refurbishing	35,545,242	79,801,059
Satellite & television charges	312,841	459,976
Rent	10,142,225	20,572,025
Rates & taxes	6,369,189	8,065,298
Insurance	1,177,013	2,415,189
Directors' sitting fees	520,000	1,470,000
Legal & professional expenses	3,335,515	9,613,386
Payment to auditors	310,000	1,358,301
Printing & stationery	1,280,993	2,286,385
Guest transportation	12,515,922	23,775,829
Travelling & conveyance	4,872,258	10,022,952
Communication expenses	2,241,985	3,975,859
Technical services	14,487,726	38,084,636
Advertisement & publicity	10,878,052	34,840,710
Commission & brokerage	13,087,414	29,540,681
CSR expenditure	-	3,200,000
Charity & donation	11,000	286,000
Bank charges and commission	186,831	616,689
Provision for bad & doubtful debts	800,748	1,199,223
Net loss/(gain) on foreign currency translation	(9,298)	674,668
Loss on sale of fixed assets	-	328,620
Miscellaneous expenses	1,147,118	3,758,611
	229,327,609	467,489,988

For and on behalf of the Board of Directors

Sd/-
Umesh Saraf
Joint Managing Director(DIN: 00017985)

Sd/-
Bimal K Jhunjhunwala
CFO & Vice President- Corporate Finance

Place : Kolkata
Date : 7th November, 2017

SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

BALANCE SHEET FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

Particulars	Note	As at 30.09.2017	As at 31.03.2017
ASSETS			
(1) **Non - current assets**			
(a) Property, plant and equipment	1	68,539,349	68,539,349
(b) Capital work in progress		967,481	781,731
(c) Financial assets			
(i) Investments	2	4,644,209,503	4,606,961,373
(ii) Other financial assets	3	2,000	2,000
(d) Deferred tax assets	4	351,282	351,282
		4,714,069,615	4,676,635,735
(2) **Current assets**			
(a) Financial assets			
(i) Cash and cash equivalents	5	586,166	16,392
(ii) Other financial assets	3	2,172,123	1,395,000
(b) Income tax assets (net)	6	103,078	103,078
(c) Other Current Assets	7	250,000	-
		3,111,367	1,514,470
Total assets		**4,717,180,982**	**4,678,150,205**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	8	109,610,000	109,610,000
(b) Other equity	9	1,375,725,812	1,338,293,065
		1,485,335,812	1,447,903,065
LIABILITIES			
(1) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	3,231,844,800	3,230,204,800
(ii) Other financial liabilities	11	-	38,470
(b) Other current liabilities	12	370	3,870
		3,231,845,170	3,230,247,140
Total Equity & Liabilities		**4,717,180,982**	**4,678,150,205**

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/- **Umesh Saraf** Director (DIN: 00017985)

sd/- **Padam Kumar Khaitan** Director (DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

	Particulars	Note	Quarter ended 30.09.2017	Year ended 31.03.2017
I	Revenue from operations		-	-
II	Other income	13	38,025,253	230,533,192
III	**Total income**		**38,025,253**	**230,533,192**
IV	**Expenses**			
	Employee benefits expenses	14	508,407	599,791
	Other expenses	15	84,099	232,882
	Total expenses		**592,506**	**832,673**
V	Profit / (loss) before exceptional items and tax		37,432,747	229,700,519
VI	Exceptional items		-	-
VII	**Profit / (loss) before tax**		**37,432,747**	**229,700,519**
VIII	Tax expense			
	(1) Current tax		-	132,782
	(2) Deferred tax		-	-
	(3) MAT Credit		-	-132,782
IX	**Profit / (loss) for the period**		**37,432,747**	**229,700,519**
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss			-
-				
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
-				
			-	-
XI	**Total comprehensive income for the period**		**37,432,747**	**229,700,519**
XII	Earnings per equity share			
	(1) Basic		3.42	20.96
	(2) Diluted		3.42	20.96

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/- sd/-

Umesh Saraf **Padam Kumar Khaitan**
Director Director
(DIN: 00017985) (DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

Particulars	Equity Share Capital	Other Equity						Total equity attributable to equity holders of the Company
		Reserves and Surplus				Other Comprehensive Income		
		Retained earnings	Capital reserve	Securities premium account	Other reserves	Equity instruments through other comprehensive income	Other items of other comprehensive income	
As at 01.04.2016	**109,610,000**	**(1,128,162,454)**	**-**	**2,236,755,000**	**-**	**-**	**-**	**1,237,012,990**
Change in equity for the year ended March 31, 2017								
Profit for the period	-	229,700,519	-	-	-	-	-	229,700,519
As at 31.03.2017	**109,610,000**	**(898,461,935)**	**-**	**2,236,755,000**	**-**	**-**	**-**	**1,447,903,065**
Change in equity for the Half Year ended Sep 30, 2017								
Profit for the period	-	37,432,747	-	-	-	-	-	37,432,747
As at 30.09.2017	**109,610,000**	**(861,029,188)**	**-**	**2,236,755,000**	**-**	**-**	**-**	**1,485,335,812**

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/-
Umesh Saraf
Director
(DIN: 00017985)

sd/-
Padam Kumar Khaitan
Director
(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

1. PROPERTY, PLANT & EQUIPMENT *Amount in Rs.*

Particulars	Land	Property & Plant	Others
Gross Block (at cost)			
As at 01.04.2017	68,539,349	-	-
Additions	-	-	-
Disposals	-	-	-
As at 30.09.2017	68,539,349	-	-
Depreciation			
As at 01.04.2017	-	-	-
Charge for the year	-	-	-
As at 30.09.2017	-	-	-
Net Block			
As at 31.03.2017	68,539,349	-	-
As at 30.09.2017	68,539,349	-	-

2. INVESTMENTS

Particulars	As at 30.09.2017	As at 31.03.2017
Non-current		
Unquoted		
Investment carried at cost		
Investment in equity instruments of subsidiary - Robust Hotels Pvt. Ltd.		
124,163,829 (previous year: 124,163,829) equity shares of Rs. 10/- each fully paid up	3,973,242,528	3,973,242,528
	3,973,242,528	3,973,242,528
Investment carried at amortised cost		
Investment in debentures of subsidiary - Robust Hotels Pvt. Ltd.		
15,500,000 (previous year: 15,500,000) 0.10% unsecured redeemable non-convertible debentures of Rs.100/-each fully paid up	670,966,975	633,718,845
	670,966,975	633,718,845
TOTAL	**4,644,209,503**	**4,606,961,373**
Aggregate value of unquoted investments	4,644,209,503	4,606,961,373
Aggregate amount of provision for diminution in value of investments	-	-

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

3. OTHER FINANCIAL ASSETS

Particulars	As at 30.09.2017	As at 31.03.2017
Non-current		
Security deposits	2,000	2,000
	2,000	2,000
Current		
Interest accrued and due	2,172,123	1,395,000
	2,172,123	1,395,000

4. DEFERRED TAX ASSETS

Particulars	As at 30.09.2017	As at 31.03.2017
Non-current		
MAT credit entitlement	351,282	351,282
	351,282	351,282

5. CASH & CASH EQUIVALENTS

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Balances with banks in current account	577,697	8,817
Cash on hand	8,469	7,575
	586,166	16,392

6. INCOME TAX ASSETS (net)

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Income tax assets (net of provision for tax)	455,312	455,312
Less: Provision for tax	352,234	352,234
	103,078	103,078

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

7. OTHER ASSETS

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Advance to Suppliers	250,000	-
	250,000	-

8. SHARE CAPITAL

Particulars	As at 30.09.2017	As at 31.03.2017
Authorized Shares		
14,000,000 Equity Shares of Rs.10/- each	140,000,000	140,000,000
Issued, subscribed & paid up		
10,961,000 Equity Shares of Rs.10/- each	109,610,000	109,610,000
	109,610,000	**109,610,000**

9. OTHER EQUITY

Particulars	As at 30.09.2017	As at 31.03.2017
Securities premium reserve	2,236,755,000	2,236,755,000
Retained earnings	-861,029,188	-898,461,935
	1,375,725,812	**1,338,293,065**

10. BORROWINGS

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Unsecured, repayable on demand		
Loan from related party	3,231,844,800	3,230,204,800
	3,231,844,800	**3,230,204,800**

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2017

Amount in Rs.

11. OTHER FINANCIAL LIABLITIES

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
Expenses payable	-	38,470
	-	**38,470**

12. OTHER CURRENT LIABILITIES

Particulars	As at 30.09.2017	As at 31.03.2017
Current		
TDS payable	-	3,500
Profession tax payable	370	370
	370	**3,870**

13. OTHER INCOME

Particulars	Quarter Ended 30th Sep 2017	Year Ended 31st March 2017
Interest income on debentures	777,123	1,795,903
Finance income (unwinding) on debentures	37,248,130	119,639,519
Finance income (unwinding) on preference shares	-	109,097,770
Liabilities written back	-	-
	38,025,253	**230,533,192**

14. EMPLOYEE BENEFIT EXPENSES

Salaries and wages	495,942	575,114
Staff welfare expenses	12,465	24,677
	508,407	**599,791**

15. OTHER EXPENSES

Travelling and conveyance	24,313	106,384
Payment to auditor	5,000	35,000
Rates and taxes	3,250	7,750
Legal & professional expenses	29,500	21,513
Lease rent	-	2,100
Filing fees	689	10,244
Printing & stationery	4,615	11,310
Telephone expenses	5,874	13,396
Miscellaneous expenses	10,858	25,185
	84,099	**232,882**

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/-	sd/-
Umesh Saraf	**Padam Kumar Khaitan**
Director	Director
(DIN: 00017985)	(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT

ROBUST HOTELS PRIVATE LIMITED

BALANCE SHEET FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in Rs.

	Note No.	As at 30.09.2017	As at 31.03.2017
ASSETS			
Non - current Assets			
(a) Property, Plant and Equipment	3	5,740,499,040	5,859,046,451
(b) Capital work - in - progress		2,568,103	-
(c) Other Intangible Assets	4	6,051,522	9,193,726
(d) Financial Assets		-	
(i) Investments	5	42,138,844	41,394,844
(iii) Other Financial Assets	6	164,378,369	17,130,879
		5,955,635,878	5,926,765,900
Current Assets			
(a) Inventories	7	9,647,451	8,171,634
(b) Financial Assets			
(i) Trade Receivables	8	70,833,736	56,086,965
(ii) Cash and Cash Equivalents	9	19,836,679	23,146,222
(iii) Loans	10	41,350	51,903
(iii) Other Financial Assets	11	16,753	16,753
(c) Current Tax Assets (net)	12	36,075,025	35,298,168
(d) Other Current Assets	13	28,836,010	28,572,916
		165,287,004	151,344,561
Total Assets		**6,120,922,882**	**6,078,110,461**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	1,541,738,290	1,541,738,290
(b) Other Equity	15	1,507,761,612	1,681,051,705
Total Equity		3,049,499,902	3,222,789,995
Liabilities			
Non - current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	2,549,566,975	2,388,818,845
(b) Provisions	17	9,733,554	8,225,888
Total non-current liabilities		2,559,300,529	2,397,044,732
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	48,174,924	40,449,886
(ii) Trade Payables	19	272,929,291	223,076,621
(iii) Other Financial Liabilities	20	120,547,240	119,048,912
(b) Provisions	21	-	69,672
(b) Other Current Liabilities	22	70,470,997	75,630,642
Total current liabilities		512,122,451	458,275,733
Total Equity and Liabilities		**6,120,922,882**	**6,078,110,461**

For and on behalf of the Board of Directors of:

Robust Hotels Private Limited

sd/- sd/-

Umesh Saraf **Soumya Saha**

Director Director

(DIN: 00017985) (DIN: 02949845)

Place: Chennai

Date : 5th December, 2017

ROBUST HOTELS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

Amount in Rs.

	Notes	Period ended 30th September, 2017	Year ended 31st March, 2017
Income			
(a) Revenue from Operations	23	380,283,808	968,950,995
(b) Other Income	24	1,469,676	18,446,490
Total		**381,753,484**	**987,397,485**
Expenditure			
(a) Consumption of Provisions, Beverages, Smokes & Others	25	40,922,885	121,827,709
(b) Employee Benefit Expense	26	77,607,609	173,562,175
(c) Finance Costs	27	125,288,655	415,274,806
(d) Depreciation and Amortization Expense		122,320,070	245,864,557
(e) Other Expenses	28	188,904,359	424,138,609
Total		**555,043,578**	**1,380,667,856**
Loss Before Exceptional Items and Tax		**(173,290,093)**	**(393,270,371)**
Exceptional Items		-	-
Loss Before Tax		**(173,290,093)**	**(393,270,371)**
Tax Expenses			
Current Tax		-	-
Loss for the year		**(173,290,093)**	**(393,270,371)**
Other Comprehensive Income		-	(1,185,194)
Total Comprehensive Income for the year		**(173,290,093)**	**(394,455,565)**
Earnings per Equity Shares (Nominal value per Equity Share Rs. 10/-)			
(Refer Note No. 38)			
(a) Basic		(1.77)	(4.02)
(b) Diluted		(1.77)	(4.02)

For and on behalf of the Board of Directors of:

Robust Hotels Private Limited

sd/- **Umesh Saraf** Director (DIN: 00017985)

sd/- **Soumya Saha** Director (DIN: 02949845)

Place: Chennai
Date : 5th December, 2017

ROBUST HOTELS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

(Amount in Rs.)

Particulars	Equity Share Capital	Other Equity				Total Equity attributable to equity holders of the Company
		Share Premium Reserve	Retained Earnings	Other Comprehensive Income	Total	
Balance as at April 1, 2015	939,427,690	1,298,512,961	(122,133,400)	-	1,176,379,561	2,115,807,251
Remeasurement of the net defined benefit liabilty/assets, net of tax effect	-	-	-	(1,669,991)	(1,669,991)	(1,669,991)
Loss for the year	-	-	(424,285,619)	-	424,285,619)	(424,285,619)
Balance as at 31st March, 2016	**939,427,690**	**1,298,512,961**	**(546,419,019)**	**(1,669,991)**	**750,423,951**	**1,689,851,641**
Balance as at April 1,2016	**939,427,690**	**1,298,512,961**	**(546,419,019)**	**(1,669,991)**	**750,423,951**	**1,689,851,641**
Increase on account of issue of 60,23,060 shares @ Rs.10/- each on conversion of 1% Compulsory Convertible Preference Shares	602,310,600	-	-	-	-	602,310,600
Securities premium on conversion of 1% Compulsory convertible Preference shares into Equity Shares	-	1,325,083,320	-	-	1,325,083,320	1,325,083,320
Remeasurement of the net defined benefit liabilty/assets, net of tax effect	-	-	-	(1,185,194)	(1,185,194)	(1,185,194)
Loss for the year	-	-	(393,270,371)	-	(393,270,371)	(393,270,371)
Balance as at 31st March, 2017	**1,541,738,290**	**2,623,596,281**	**(939,689,391)**	**(2,855,185)**	**1,681,051,705**	**3,222,789,995**
Loss for the period	-	-	(173,290,093)	-	-	(173,290,093)
Balance as at 30th September, 2017	**1,541,738,290**	**2,623,596,281**	**(1,112,979,484)**	**(2,855,185)**	**1,681,051,705**	**3,049,499,902**

For and on behalf of the Board of Directors of:

Robust Hotels Private Limited

sd/-

Umesh Saraf
Director
(DIN: 00017985)

sd/-

Soumya Saha
Director
(DIN: 02949845)

Place: Chennai
Date : 5th December, 2017

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

NOTE 3 : Property, Plant and Equipments

Following are the changes in the carrying value of property, plant and equipment for the half year ended September 30, 2017

(Amount in Rs.)

Particulars	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Total
As at 1st April 2016	1,540,585,512	3,107,246,793	1,664,780,323	585,087,653	17,438,516	4,080,902	6,919,219,699
Additions	-	16,976,754	12,983,568	2,316,050	513,228	-	32,789,600
Deletions/Adjustments	-	-	14,042,004	-	-	416,214	14,458,218
As at 31 March 2017	1,540,585,512	3,124,223,547	1,663,721,887	587,403,703	17,951,744	3,664,688	6,937,551,081
As at 1st April 2017	1,540,585,512	3,124,223,547	1,663,721,887	587,403,703	17,951,744	3,664,688	6,937,551,081
Additions			650,278	49,214			
Deletions/Adjustments		68,934					
As at 30 September 2017	**1,540,585,512**	**3,124,154,613**	**1,664,372,165**	**587,452,917**	**17,951,744**	**3,664,688**	**6,937,551,081**
Accumulated Depreciation and Impairment							
As at 1st April 2016	-	189,647,460	389,065,605	251,345,035	11,092,043	2,303,608	843,453,751
Charge for the year	-	49,478,357	111,252,010	74,690,448	4,495,526	158,255	240,074,596
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	4,607,503	-	-	416,214	5,023,717
As at 31 March 2017	-	239,125,817	495,710,112	326,035,483	15,587,569	2,045,649	1,078,504,630
As at 1st April 2017	-	239,125,817	495,710,112	326,035,483	15,587,569	2,045,649	1,078,504,630
Charge for the period	-	24,951,454	56,223,376	37,409,606	557,029	79,344	119,220,809
Impairment	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-
As at 30 September 2017	-	264,077,271	551,933,488	363,445,089	16,144,598	2,124,993	1,197,725,439
Net Carrying Amount							
As at 30 September 2017	1,540,585,512	2,860,077,342	1,112,438,677	224,007,828	1,807,146	1,539,695	5,740,456,200
As at 31 March 2017	1,540,585,512	2,885,097,730	1,168,011,775	261,368,220	2,364,175	1,619,039	5,859,046,451

CAPITAL WORK- IN PROGRESS

As at 30 September 2017		1,002,415					1,002,415
As at 31.3.2017	-	-	-	-	-	-	-

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

NOTE 4 : Intangible Assets

Following are the changes in the carrying value of accured intangible assets for the year ended Septmeber 30, 2017

(Amount in Rs.)

Particulars	**Softwares**	**Total**
As at 1 April 2017	38,685,431	38,685,431
Additions	-	-
Deletions/Adjustments	-	-
As at 30 September 2017	38,685,431	38,685,431
Accumulated Depreciation and Impairment		
As at 1 April 2017	29,491,705	29,491,705
Charge for the period	3,099,261	3,099,261
Impairment	-	-
Deletions/Adjustments	-	-
As at 30 September 2017	32,590,966	32,590,966
Net Carrying Amont		
As at 31 March 2017	9,193,726	9,193,726
As at 30 September 2017	6,094,465	6,094,465

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

		As at 30th September, 2017	As at 31st March, 2017
5.	**Non Current Investments**		
	Unquoted Equity Shares		
	Investments carried at fair value through Profit and Loss - fully paid		
	8,75,000 (31st March 2016 : 6,65,000, 1st April 2015: 6,65,000) Class-B Equity Shares of Maple Renewable Power Private Limited of Rs. 10/- each	42,110,844	41,360,844
	In Government Securities		
	Investments carried at amortised cost		
	- National Savings Certificate	28,000	34,000
	Total Carrying Value	**42,138,844**	**41,394,844**
	Aggregate Book Value of unquoted Investments	42,138,844	41,394,844
6.	**Other Financial Assets**		
	(Unsecured, considered good by the management)		
	Security Deposits with		
	- Government department	164,668,077	14,452,979
	- Others	(289,708)	2,677,900
	Total	**164,378,369**	**17,130,879**
	Current Assets		
7.	**Inventories**		
	(As taken valued and certified by the management)		
	(Valued at cost or Net Realisable Value, whichever is lower)		
	Food, Beverages & Tobacco	8,458,201	7,459,804
	Stores	1,189,249	711,830
	Total	**9,647,451**	**8,171,634**
8.	**Trade Receivable**		
	(Unsecured, considered good by the management)		
	Debts outstanding for a period exceeding six months	13,832,972	17,984,062
	Others	44,239,003	38,102,903
	(includes Rs.10,97,735/- from Related Parties Refer Note 36 Previous Year Rs. 4,80,320/-)		
	Total	**58,071,975**	**56,086,965**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Refer Note 36 for Trade or Other Receivables due from Subsidiaries or from firms or private companies respectively in which any director is a partner, a director or a member.

	As at 30th September, 2017	As at 31st March, 2017
9. Cash and Cash Equivalents		
Balance with Banks		
- In Current Accounts	9,412,450	12,850,102
- Margin Money Deposit (having maturity more than 12 months)	8,890,773	8,890,773
Cash on hand	1,533,455	1,405,347
(as certified by the management)		
Total	**19,836,679**	**23,146,222**

Cash and cash equivalents as of March 31, 2017, March 31, 2016 and April 1, 2015 include restricted cash and bank balances of Rs. 88,90,773/-, 1,56,63,173/- and Rs. 1,53,56,496/- respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

10. Loans		
(Unsecured, considered good by the management)		
Advance to Related Parties		
- Forex Finance Limited	-	-
Advance to employees	41,350	51,903
Total	**41,350**	**51,903**

11. Other Financial Assets		
Interest accrued on Term deposits	-	-
Interest accrued on others	-	16,753
Total	**-**	**16,753**

12. Current tax assets (net)		
Advance Income Tax (net)	36,075,025	35,298,168
(Net of Provision Rs.5,00,000 31.03.16 Rs.5,00,000 and 01.04.15 Rs. 5,00,000)		
Total	**36,075,025**	**35,298,168**

13. Other Current Assets		
Balances with Statutory Authorities	14,570,812	13,554,290
Prepaid Expenses	13,349,506	8,164,266
Advance to Suppliers	915,693	6,854,360
Total	**28,836,010**	**28,572,916**

	As at 30th September, 2017	As at 31st March, 2017
14. Share Capital		
a) Authorised		
Equity Shares of Rs. 10 each	2,150,000,000	1,550,000,000
15,50,00,000 (9,50,00,000 31 March, 2016 and 1 April, 2015)		
4,300,000 Preference Shares of Rs. 100 each	430,000,000	430,000,000
1,40,00,000 Preference Shares of Rs. 10 each	140,000,000	140,000,000
	2,720,000,000	**2,120,000,000**
Issued, Subscribed		
Equity Shares of Rs.10/- each	2,144,048,890	1,541,738,290
12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash	430,000,000	430,000,000
(Refer Note 'd' below)		
1% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.10/- each fully paid up in cash	-	-
(Refer Note 'e' below)	**2,574,048,890**	**1,971,738,290**
Paid up Equity Share Capital	1,541,738,290	1,541,738,290
Equity Shares of Rs.10/- each fully paid up in cash		
	1,541,738,290	**1,541,738,290**

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	**As at 30.9.2017**	**As at 31.3.2017**
Equity Shares		
At the beginning of the year	93,942,769	93,942,769
Issued during the year	60,231,060	60,231,060
At the end of the year	154,173,829	154,173,829
1 % Cumulative Redeemable Optionally Convertible Preference Shares of 10/- each		
At the beginning of the year	8,964,623	8,964,623
Add: Allotted during the year	-	-
Less: Converted during the year	8,964,623	8,964,623
At the end of the year	-	-
12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash		
At the beginning of the year	43,000,000	43,000,000
At the end of the year	43,000,000	43,000,000

Particulars	As at 30.9.2017	As at 31.3.2017
Shares held by Holding/ultimate Holding Company and/or their subsidiaries/associates		
Out of equity shares issued by the Company, shares held by its		
Holding Company is as below :		
Forex Finance Private Limited		
3,00,10,000 shares of Rs.10/- each full paid	-	-
GJS Hotels Limited, the Holding Company		
124,163,829 shares Rs. 10/- each fully paid	1,241,638,290	1,241,638,290
Asian Hotels (East) Limited, Holding Company of GJS Hotels Limited		
3,00,10,000 shares of Rs. 10/- each fully paid	300,100,000	300,100,000

c) The Company has only one class of Equity Shares having a par value of Rs. 10/- each. Each shareholder is entitled to one vote per share.

d) The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

e) 1% Cumulative Convertible Prefernce Shares have been converted into 6,02,31,060 Equity Shares of Rs.10/- each at a premium of Rs.22/- per share during the year

f) **The details of shareholders holding more than 5% shares as at March 31,2017**

Name of the shareholder	As at March, 2017	
	% held	No. of Shares
Equity Shares		
Forex Finance Private Limited	-	-
GJS Hotels Limited (Holding Company)	81	124,163,829
Asian Hotels (East) Limited (Holding Company of GJS Hotels Limited)	19	30,010,000
12% Cumulative Redeemable Preference Shares		
Asian Hotels (East) Limited (Holding Company of GJS Hotels Limited)	100	4,300,000
1% Cumulative Redeemable Optionally Convertible Preference Shares		
GJS Hotels Limited (Holding Company)	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

15 Other Equity

Particulars	As at 30.09.2017	As at 31.03.2017
Securities Premium Reserve	2,623,596,281	2,623,596,281
Retained Earnings	(1,115,834,669)	(939,689,391)
Other Comprehensive Income	-	(2,855,185)
Total	**1,507,761,612**	**1,681,051,705**

	Particulars	As at 30.9.2017	As at 31.3.2017
16	**Non-current Liabilities**		
	Financial Liabilities		
	Borrowings		
	1% Cumulative Redeemable Optionally Convertible Preference Shares of 10/- each fully paid up in cash	1,818,296,175	1,818,296,175
	(refer note 'a' below)		
	Less: Converted into equity shares during the year	(1,818,296,175)	(1,818,296,175)
		-	-
	12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash	430,000,000	430,000,000
	(refer note 'b' below)	-	
	From HDFC Limited (refer note 'c' below)	1,286,100,000	1,325,100,000
	Unsecured - Debentures (Refer Note 'd' below)	-	
	1,55,00,000 (2,05,00,000 31 March, 2017 and 31 March, 2016) 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each	670,966,975	633,718,845
	Unsecured Loan		
	Total Borrowings	**2,387,066,975**	**2,388,818,845**

1 % Cumulative Redeemable Optionally Convertible Preference Shares of Rs. 10/- each

a) On 1st October 2016, 8,964,623 1% cumulative redeemable optionally convertible preference shares of Rs.10/-each has been converted into 8,964,623 1% compulsorily convertible preference shares of Rs.10/-each. On 6th March 2017, the same has been converted into 60,231,060 equity shares of Rs.32/- each, including premium of Rs.22/- each.

The shareholders have the right to declare and approve dividend, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.

The rights, preferences and restrictions attached to the Preference Shares are in accordance with the terms of issue and provisions of the Companies Act, 1956 and the Companies Act, 2013 unless stated otherwise.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution of all or any of the assets in specie among the shareholders would be in accordance with their rights.

1% Cumulative Convertible Prefernce Shares have been converted into 6,02,31,060 Equity Shares of Rs.10/- each at a premium of Rs.22/- per share during the year

12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up in cash

b) The holders of Cumulative Redeemable Preference Shares have accepted the request to extend the date of redemption for a further period of five years from July 5, 2016 to July 5, 2021 vide their letter dated May 26,2016. Accordingly, the said shares are redeemable at a premium of 10% on July 5, 2021 unless mutually agreed upon for further rollover.

Security Clause

c) The above term loan is secured by pari passu charge by way of hypothecation of entire movable properties (fixed assets) both present and future and equitable mortgage by way of deposit of title deeds of immovable properties together with buildings & structures, plant & equipment, furniture & fittings installed/to be installed thereon situated at 365 Anna Salai, Teynampet, Chennai in the state of Tamilnadu with IDBI Bank Ltd for the Bank Guarantee facility of Rs. 5.95 crores and further, secured by way of second charge on all book debts, operating cash flows, revenues, commission and receivables both present and future, having first charge of IDBI Bank Ltd for Cash Credit facility granted to the Company . The Cash credit facility from IDBI Bank Ltd, BG facility from IDBI Bank Ltd and Term Loan from HDFC Ltd are further secured by corporate guarantee of Asian Hotels (East) Limited, Kolkata .

Terms of Repayment

HDFC Limited: The loan is repayable in 42 Quarterly Instalments being:

2 Quarterly instalments of Rs. 93,00,000 each commenced from March 31, 2015 and ended on June 30, 2015, 4 Quarterly instalments of Rs. 94,50,000 each commenced from September 30, 2015 and ending on June 30, 2016, 4 Quarterly instalments of Rs. 1,50,00,000 each commencing from September 30, 2016 and ending on June 30, 2017, 4 Quarterly instalments of Rs. 1,95,00,000 each commencing from September 30, 2017 and ending on June 30, 2018, 4 Quarterly instalments of Rs. 2,53,50,000 each commencing from September 30, 2018 and ending on June 30, 2019, 4 Quarterly instalments of Rs. 3,09,00,000 each commencing from September 30, 2019 and ending on June 30, 2020, 4 Quarterly instalments of Rs. 3,75,00,000 each commencing from September 30, 2020 and ending on June 30, 2021, 4 Quarterly instalments of Rs. 4,50,00,000 each commencing from September 30, 2021 and ending on June 30, 2022 and 12 Quarterly instalments of Rs. 6,25,50,000 each commencing from September 30, 2022 and ending on June 30, 2025 as per Repayments Schedule letter dated August 16, 2012

Unsecured Debentures

d) The above Debentures are issued as Unsecured Cumulative Non- Convertible Debentures to GJS Hotels Limited (Holding Company) carrying interest rate @ 0.1% or such other higher rate as may be agreed by both the parties from time to time having cumulative payment rights payable annually on 31st March. The Debentures are redeemable in one or more instalments within maximum period of 10 years on mutually agreed terms.

	Particulars	As at 30.9.2017	As at 31.3.2017
17	**Non Current Provisions**		
	Provision for Employee Benefits		
	Provision for Gratuity	5,019,991	4,239,227
	Provision for LTA	2,227,796	2,425,174
	Provision for Leave Benefits	2,416,095	1,561,487
	Total	**9,663,882**	**8,225,888**
18	**Current Liabilities - Borrowings**		
	Secured		
	Cash Credit Account with -		
	IDBI Bank Limited	48,174,924	40,449,886
	(Refer Note ('a') below)		
	Total	**48,174,924**	**40,449,886**

a) The above facility is secured by first charge by way of hypothecation of entire stocks of raw materials, semi finished and finished goods, consumable stores and spare parts including book debts, bills whether documentary or clean, outstanding monies receivable, both present and future and second charge in favour of HDFC Limited for Term loan granted to the Company. The above facility is further secured by a pari pasu charge by way of hypothecation of entire movable properties (fixed assets) including movable machineries, tools & accessories present and future and Equitable Mortgage on Immovable property situated at 365, Anna Salai, Chennai - 600018 with HDFC Ltd for the Term Loan facility and Corporate Guarantee of Asian Hotels (East) Limited.

19	**Current Liabilities - Trade Payable**		
	Trade Payable	277,321,086	228,904,178
	(includes Related Parties Rs. 20,66,818/- Refer Note 36)		
	(Previous Year : Rs.14,21,531/-)		
	less: Electricity	4,391,795	5,827,557
	Total	**272,929,291**	**223,076,621**

As per information available with the Company and as certified by the Management, there is no amount due to any Small Scale Industrial Undertaking as on March 31, 2017 and March 31, 2016. There are no interest due or outstanding on the same.

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

	Particulars	As at 30.9.2017	As at 31.3.2017
20	**Other Current Financial Liabilities**		
	Current Maturities of Long Term Debt	78,000,000	73,500,000
	Interest Accrued and due on loan	5,401,849	1,451,343
	Interest Accrued and not due on loan	-	-
	Salary Payable	9,051,754	6,270,882
	Contract Payroll	4,768,350	2,613,886
	Electricity Expenses Payable	4,391,795	5,827,557
	Other Payables	18,933,492	29,385,244
	Total	**120,547,240**	**119,048,912**
21	**Current Provisions**		
	Provision for employee benefits		
	Provision for Gratuity	49,782	49,782
	Provision for Leave Benefits	19,890	19,890
	Total	**69,672**	**69,672**
22	**Other Current Liabilities**		
	Advance from Customers	13,098,874	11,250,977
	Other Current Liabilities	18,867,298	19,544,519
	(includes Related Parties Rs. 1,78,821/-Refer Note 36) (Previous Year Rs. 88,522/-)	-	-
	Other Payables	20,967,298	28,641,644
	Statutory Dues	17,537,528	16,193,503
	Advance to related parties - HYATT	-	-
	-	-	-
	Total	**70,470,998**	**75,630,642**

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

		Period ended 30.09.2017	Year Ended 31.03.2017
23	**Revenue from Operations**		
	Sale of Products		
	Soft Beverages, Wines and Liquor	-	78,173,074
	Food and Smokes	140,286,482	336,856,929
		140,286,482	**415,030,003**
	Sale of Services		
	Rooms Revenue	-	420,107,460
	Banquet Income	-	45,255,879
	Health & Spa Revenue	-	7,933,796
	Laundry Revenue	-	7,117,461
	Auto Rental Revenue	-	24,184,243
	Communications	-	1,442,671
	Equipment Revenue	-	4,024,893
	Other Operating Revenue	-	29,393,225
	Service Charge Revenue	239,997,327	14,461,365
		239,997,327	**553,920,993**
	Total	**380,283,808**	**968,950,995**
24	**Other Income**		
	Interest Income (Gross)		
	(Tax deducted at source for the year Rs.14,818/- , Previous Year Rs. 1,38,458/-)		
	On Term Deposits	336,469	1,197,148
	On Others	182,985	733,646
	Insurance Claim received	-	2,764,035
	Profit on Sale of Fixed Assets (Net)	-	
	Miscellaneous Income	800,828	2,218,211
	(Tax deducted at source for the year Rs.1,32,000/-)		
	Fair value gain on investment in shares of Maple Renewable Power Private Limited	-	6,988,887
	Net Gain/ (Loss) on Foreign Currency Transaction and Translation	149,394	4,544,564
	Total	**1,469,676**	**18,446,491**
25	**Consumption of Provisions, Beverages, Smokes & Others**		
	Opening Stock	8,171,633	6,565,554
	Add : Purchases	42,197,934	123,433,789
		50,369,567	**129,999,343**
	Less : Closing Stock	9,446,682	8,171,634
	Total Cost of Consumption	**40,922,885**	**121,827,709**

ROBUST HOTELS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2017

		Period ended 30.09.2017	Year Ended 31.03.2017
26	**Employee Benefits Expense**		
	Salaries, Wages & Bonus etc	62,240,649	136,486,224
	Contribution to Provident & other funds	4,345,042	10,294,497
	Staff Welfare Expenses *	10,416,133	26,338,446
	Recruitment & Training	605,784	442,988
		77,607,609	**173,562,155**
	*Includes cost of provisions consumed in staff cafeteria		
27	**Finance Cost**		
	Interest -		
	- On Term Loan	80,892,931	176,649,294
	- On Cash Credit	1,478,880	4,423,876
	- On Debentures	38,025,254	121,435,422
	- On Preference shares	-	109,097,770
	- On Bank Loan processing chgs	-	
	- On Others	12,421	6,239
	- On Unsecured Loan	4,452,055	-
	Other Borrowing Cost	427,114	3,662,205
	Total	**125,288,655**	**415,274,806**
28	**Other Expenses**		
	Contract Labour and Service	30,042,690	69,042,403
	Linen, Room, Catering, other supplies	9,179,053	13,821,320
	Operating Equipments Consumption	7,167,807	17,941,338
	Fuel, Power & Light	50,452,324	101,035,455
	Repairs & Maintenance		
	- To Building	3,325,201	6,583,873
	- To Plant & Equipment	12,915,716	25,655,191
	- To Others	1,113,874	2,455,766
	Equipment Hiring charges	2,442,236	3,835,447
	Rates & Taxes	14,272,613	30,588,892
	Advertisement & Publicity	14,641,391	39,456,114
	Insurance	1,704,917	3,701,790
	Net Gain/ (Loss) on Foreign Currency Transaction and Translation	-	-
	Printing & Stationery	1,095,924	2,432,800
	Directors' Sitting Fees	14,000	17,000
	Travelling & Conveyance	3,611,322	6,865,407
	Professional and Consultancy Fees	4,477,256	7,643,494
	Filing Fees	21,600	4,553,400
	Communication Expenses		
	Cost of Calls	1,803,558	2,730,398
	Telephone Charges	15,660	45,707
	Lease Line Rentals	26,072	1,073,907
	Technical Services	11,372,865	30,276,638
	Brokerage & Commission	16,228,092	40,965,354
	Internal Audit Fee	181,982	-
	Payment to Auditors		
	- As Auditor	-	325,000
	- For Taxation Matters	-	75,000
	- For Other Services	16,459	31,587
	Loss on sale of Fixed Assets (net)	-	7,969,392
	Prior Period Items	-	-
	Miscellaneous Expenses	2,781,645	5,015,936
	Total	**188,904,259**	**424,138,610**

For and on behalf of the Board of Directors of:
Robust Hotels Private Limited

	sd/-	sd/-
	Umesh Saraf	**Soumya Saha**
Place: Chennai	Director	Director
Date : 5th December, 2017	(DIN: 00017985)	(DIN: 02949845)

Annexure "ES-2"

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ASIAN HOTELS (EAST) LIMITED AT ITS MEETINGS HELD ON 7TH NOVEMBER, 2017 AT KOLKATA EXPLAINING THE EFFECT OF SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on 10th February, 2017 after considering all relevant documents, approved the Scheme of Arrangement between GJS Hotels Limited ("**GJSHL**"), Asian Hotels (East) Limited ("**AHEL**") and Robust Hotels Private Limited ("**RHPL**") and their respective shareholders for (1) reconstructing GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganising and converting the outstanding 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("**Specified Preference Shares**") and 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("**Specified Debentures**") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement from the Appointed date i.e. 31st March, 2016.

Pursuant to Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board of Directors of the Company explaining effect of the Scheme on the various stakeholders is required to be circulated to the equity shareholders along with the notice convening the meeting.

This report is issued by the Board accordingly.

1. Since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL. Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme being effective, (a) all the Equity Shares of RHPL held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into 22,41,83,830 Equity Shares of Rs. 10/- each.The share entitlement ratio for the reorganisation of share capital and debentures of RHPL has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. NSBP& Co, a reputed firm of Chartered Accountants. There was no difficulty in valuation. D&A Financial Services (P) Limited, independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion thereon as under :-

   Based on our examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, we are of the opinion that the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangement is fair.

   A. Fair value of Equity Share of RHPL Rs.20/- per share.

   B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	***Value (In Rs. Crores)***	***Number of Units***	***Value per Unit***	***Equity Share Entitlement (per 100 units)***
12% Cumulative Redeemable Preference Shares of RHPL	*64.10*	*43,00,000*	*149.06*	*745*
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	*100.62*	*2,05,00,000*	*49.09*	*245*

2. The effect of the Scheme on the various stakeholders, including shareholders, creditors, debenture holders, employees, Directors, Key Managerial Personnel, promoter and non-promoter shareholders is summarised below:-

Category	GJSHL	AHEL	RHPL
(a) Shareholders	The shareholders of GJSHL will continue to hold their existing Equity Shares in GJSHL. Further, since all the Equity Shares of GJSHL are held by AHEL and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL.	The shareholders of AHEL will continue to hold their existing Equity Shares in AHEL.There is no issue of shares of AHEL under the Scheme and hence there will be no change in shareholding pattern of AHEL consequent to the Scheme.	Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, (a) all the Equity Shares held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into Equity Shares. Consequently, the entire share capital of RHPL will consist of Equity Shares held by AHEL. All (100%) shares of RHPL shall be held by AHEL.
(b) Creditors	Creditors relating to the Demerged Undertaking of GJSHL will cease to be creditors of GJSHL and become creditors of AHEL on the same terms and conditions, as before. Other creditors of GJSHL will continue to be creditors of GJSHL on the same terms and conditions, as before.	Creditors relating to the Demerged Undertaking of GJSHL will become creditors of AHEL on the same terms and conditions, as before. Other creditors of AHEL will continue to be creditors of AHEL on the same terms and conditions, as before.	Existing Creditors of RHPL (excepting the sole debenture-holders of RHPL) will continue to be creditors of RHPL on the same terms and conditions as before. The debentures will be converted into Equity Shares as stated above.
(c) Depositors	There are no depositors.	There are no depositors.	There are no depositors.

Category	GJSHL	AHEL	RHPL
(d) Debenture holders	There are no debenture holders. There are no deposit trustees or debenture trustees.	There are no debenture holders.	Consequent to the Scheme all outstanding 1,55,00,000 Specified Debentures if RHPL will stand converted into Equity Shares of RHPL as stated above.
(e) Deposit trustee and Debenture trustee	Employees engaged in the Demerged Undertaking of GJSHL will cease to be employees of GJSHL and become employees of AHEL on the same terms and conditions, as before. Other employees of GJSHL will continue to be employees of GJSHL, on the same terms and conditions, as before.	There are no deposit trustees or debenture trustees.	There are no deposit trustees or debenture trustees.
(f) Employees	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	Employees of AHEL will continue to be employees of AHEL, on the same terms and conditions, as before.	Employees of RHPL will continue to be employees of RHPL, on the same terms and conditions, as before.
(g) Promoters	There are no Non Promoter members of GJSHL	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	All Companies are under common management and control.In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.
(h) Non-promoter members	KMPs continue to be KMPs of GJSHL as before.	Same as stated in this column in item (a) above.	There are no Non Promoter members of RHPL
(i) Key Managerial Personnel ("**KMP**")	They will continue to be Directors of GJSHL, as before.	KMPs continue to be KMPs of AHEL as before.	KMPs continue to be KMPs of RHPL as before.
(j) Directors		They will continue to be Directors of AHEL, as before.	They will continue to be Directors of RHPL as before.

3. In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Company and its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board of Directors of:

Asian Hotels (East Limited

sd/-

Padam Kumar Khaitan
Director
(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GJS HOTELS LIMITED AT ITS MEETINGS HELD ON 7TH NOVEMBER, 2017 AT KOLKATA EXPLAINING THE EFFECT OF SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on 10th February, 2017 after considering all relevant documents, approved the Scheme of Arrangement between GJS Hotels Limited ("**GJSHL**"), Asian Hotels (East) Limited ("**AHEL**") and Robust Hotels Private Limited ("**RHPL**") and their respective shareholders for (1) reconstructing GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganising and converting the outstanding 43,00,000, 12% Cumulative Redeemable Preference Shares of Rs.100/- each of RHPL ("**Specified Preference Shares**") and 1,55,00,000, 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each of RHPL ("**Specified Debentures**") into Equity Shares of RHPL, in the manner and on the terms and conditions stated in the said Scheme of Arrangement from the Appointed date i.e. 31st March, 2016.

Pursuant to Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Board of Directors of the Company explaining effect of the Scheme on the various stakeholders is required to be circulated to the equity shareholders along with the notice convening the meeting.

This report is issued by the Board accordingly.

1. since all the Equity Shares of GJSHL are held by AHEL itself and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL. Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme being effective, (a) all the Equity Shares of RHPL held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into 224183830 Equity Shares of Rs.10/- each. The share entitlement ratio for the reorganisation of share capital and debentures of RHPL has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. NSBP& Co, a reputed firm of Chartered Accountants. There was no difficulty in valuation. D&A Financial Services (P) Limited, independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion thereon as under :-

   Based on our examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, we are of the opinion that the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangement is fair.

   A. Fair value of Equity Share of RHPL Rs.20/- per share.

   B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	***Value (In Rs. Crores)***	***Number of Units***	***Value per Unit***	***Equity Share Entitlement (per 100 units)***
12% Cumulative Redeemable Preference Shares of RHPL	*64.10*	*43,00,000*	*149.06*	*745*
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	*100.62*	*2,05,00,000*	*49.09*	*245*

2. The effect of the Scheme on the various stakeholders, including shareholders, creditors, debenture holders, employees, Directors, Key Managerial Personnel, promoter and non-promoter shareholders is summarised below:-

Category	GJSHL	AHEL	RHPL
(a) Shareholders	The shareholders of GJSHL will continue to hold their existing Equity Shares in GJSHL. Further, since all the Equity Shares of GJSHL are held by AHEL and AHEL cannot issue any shares to itself, no shares whatsoever shall be issued by AHEL in consideration of the demerger and hence there will be no change in the shareholding pattern of GJSHL.	The shareholders of AHEL will continue to hold their existing Equity Shares in AHEL.There is no issue of shares of AHEL under the Scheme and hence there will be no change in shareholding pattern of AHEL consequent to the Scheme.	Upon the demerger of the Demerged Undertaking of GJSHL to AHEL in terms of the Scheme, (a) all the Equity Shares held by GJSHL will stand transferred to AHEL and (b) the Specified Preference Shares and Specified Debentures of RHPL shall stand converted into Equity Shares. Consequently, the entire share capital of RHPL will consist of Equity Shares held by AHEL. All (100%) shares of RHPL shall be held by AHEL.
(b) Creditors	Creditors relating to the Demerged Undertaking of GJSHL will cease to be creditors of GJSHL and become creditors of AHEL on the same terms and conditions, as before. Other creditors of GJSHL will continue to be creditors of GJSHL on the same terms and conditions, as before.	Creditors relating to the Demerged Undertaking of GJSHL will become creditors of AHEL on the same terms and conditions, as before. Other creditors of AHEL will continue to be creditors of AHEL on the same terms and conditions, as before.	Existing Creditors of RHPL (excepting the sole debenture-holders of RHPL) will continue to be creditors of RHPL on the same terms and conditions as before. The debentures will be converted into Equity Shares as stated above.

Category	GJSHL	AHEL	RHPL
(c) Depositors	There are no depositors.	There are no depositors.	There are no depositors.
(d) Debenture holders	There are no debenture holders.	There are no debenture holders.	Consequent to the Scheme all outstanding 1,55,00,000 Specified Debentures if RHPL will stand converted into Equity Shares of RHPL as stated above.
(e) Deposit trustee and Debenture trustee	There are no deposit trustees or debenture trustees.	There are no deposit trustees or debenture trustees.	There are no deposit trustees or debenture trustees.
(f) Employees	Employees engaged in the Demerged Undertaking of GJSHL will cease to be employees of GJSHL and become employees of AHEL on the same terms and conditions, as before. Other employees of GJSHL will continue to be employees of GJSHL, on the same terms and conditions, as before.	Employees of AHEL will continue to be employees of AHEL, on the same terms and conditions, as before.	Employees of RHPL will continue to be employees of RHPL, on the same terms and conditions, as before.
(g) Promoters	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	All Companies are under common management and control. There will be no change in management and control of GJSHL consequent to the Scheme. In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.	All Companies are under common management and control.In so far as shares held by promoters are concerned, the effect of the Scheme is the same as stated in this column in item (a) above.
(h) Non-promoter members	There are no Non Promoter members of GJSHL	Same as stated in this column in item (a) above.	There are no Non Promoter members of RHPL
(i) Key Managerial Personnel ("**KMP**")	KMPs continue to be KMPs of GJSHL as before.	KMPs continue to be KMPs of AHEL as before.	KMPs continue to be KMPs of RHPL as before.
(j) Directors	They will continue to be Directors of GJSHL, as before.	They will continue to be Directors of AHEL, as before.	They will continue to be Directors of RHPL as before.

3. In the opinion of the Board, the said Scheme will be advantageous and beneficial to the Company and its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board of Directors of:

GJS Hotels Limited

sd/-

Padam Kumar Khaitan
Director
(DIN: 00019700)

Place: Kolkata
Date : 7th November, 2017

Annexure "ES-3"

Statement of shareholdings of the Directors and Key Managerial Personnel of Asian Hotels (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited as on 16th January, 2018

a) ASIAN HOTELS (EAST) LIMITED

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
1.	Mr. Radhe Shyam Saraf	Promoter (Non-Executive Chairman)	Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Relatives: **HUF: NA** **Spouse:** Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Son: Mr. Arun Kumar Saraf & Mr. Umesh Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	8,732 & 24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Son's wife: Mrs. Namita Saraf & Mrs. Priti Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
2.	Mrs. Ratna Devi Saraf	Promoter	Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Relatives: **HUF: NA** **Spouse:** Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Son: Mr. Arun Kumar Saraf & Mr. Umesh Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	8,732 & 24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Son's wife: Mrs. Namita Saraf & Mrs. Priti Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India & W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
3.	Mr. Arun Kumar Saraf	Joint Managing Director	Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	8,732	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Namita Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Brother: Mr. Umesh Saraf		W-120, Greater Kailash Part II, New Delhi-110048	24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
4.	Mr. Umesh Saraf	Joint Managing Director	W-120, Greater Kailash Part II, New Delhi-110048	24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Priti Saraf		W-120, Greater Kailash Part II, New Delhi-110048		Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Brother: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	8,732	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
5.	Mr. A.C. Chakrabortti	Independent Director	22/2A, Gorachand Road, Kolkata - 700014	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
6.	Mr. Padam Kumar Khaitan	Independent Director	3 Queens Park, Kolkata 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
7.	Mr. Rama Shankar Jhawar	Independent Director	Doveland Court, 29/13, Ballygunge Park Road, Kolkata - 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
8.	Ms. Rita Bhimani	Independent Director	12/4, Sunny Park Apartments, 6, Sunny Park, Kolkata - 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
9.	Mr. Saumen Chatterjee	Chief Legal Officer & Company Secretary	Flat No. S/6, 2nd Floor, Cluster-I, Block 'GA', Sector-III, Purbachal, Salt Lake City, Kolkata-700097	Nil	Holding in GJS Hotels Limited No. of Shares : 10 % of Holding: 0.000091233

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
	None of the relatives are holding / crossholding any shares.				
10.	Mr. Bimal Kumar Jhunjhunwala	CFO & Vice-President Corporate Finance	3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata-700055	Nil	Holding in GJS Hotels Limited No. of Shares :10 % of Holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Sudha Jhunjhunwala		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	126	Nil
	Daughter: Mrs. Sheetal Gheedia		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata-700055	8	Nil
	Apart from this none of the relatives have any shareholding & cross shareholding.				

b) GJS HOTELS LIMITED:

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
1.	Mr. Umesh Saraf	Director	W-120, Greater Kailash Part II, New Delhi-110048	10	Holding in Asian Hotels (East) Limited No. of Shares : 24,731, % of Holding: 0.21
	Relatives: **HUF: NA** **Spouse:** Mrs. Priti Saraf		W-120, Greater Kailash Part II, New Delhi-110048	10	Nil
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 32,84,680, % of Holding: 28.49
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 6,17,347, % of Holding: 5.36
	Brother: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	10	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08
	Apart from this none of the relatives are holding / crossholding any shares.				
2.	Mr. Padam Kumar Khaitan	Independent Director	3 Queens Park, Kolkata 700019	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
3.	Mr. Basab Chakraborty	Independent Director	6E, Beltala Road, Kolkata 700026	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
4.	Mr. Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata 700006	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
5.	Mr. Nirod Baran Mahata	Manager	JA-1, Sec-3, Salt Lake, Kolkata-700098	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
6.	Mr. Saumen Chatterjee	Company Secretary	Flat No. S/6, 2nd Floor, Cluster-I, Block 'GA', Sector-III, Purbachal, Salt Lake City, Kolkata-700097	10	Nil
	None of the relatives are holding / crossholding any shares.				
7.	Mr. Bimal Kumar Jhunjhunwala	Chief Financial Officer	3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	10	Nil
	Relatives: **HUF: NA** **Spouse:** Mrs. Sudha Jhunjhunwala		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	Nil	Holding in Asian Hotels (East) Limited No. of Shares :126
	Daughter: Mrs. Sheetal Gheedia		3rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	Nil	Holding in Asian Hotels (East) Limited No. of Shares :8
	Apart from this none of the relatives have any shareholding & cross shareholding.				

c) ROBUST HOTELS PRIVATE LIMITED:

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
1.	Mr. Umesh Saraf	Director	W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 24,731, % of Holding: 0.21 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.00009123
	Relatives: **HUF: NA** **Spouse:** Mrs. Priti Saraf		W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 32,84,680, % of Holding: 28.49
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Mansion, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 6,17,347, % of Holding: 5.36

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
	Brother: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Apart from this none of the relatives are holding / cross holding any shares.				
2.	Mr. Avali Srinivasan	Director	5, Bethel Chedda Nagar, Mumbai - 400 089	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
3.	Mr. Arun Kumar Saraf	Director	Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Relatives: **HUF: NA** **Spouse:** Mrs. Namita Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Father: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Manison, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 32,84,680, % of Holding: 28.49
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Manison, 80-88 Caine Road, Hongkong	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 6,17,347, % of Holding: 5.36
	Brother: Mr. Umesh Saraf		W-120, Greater Kailash Part II, New Delhi-110048	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 24,731, % of Holding: 0.21 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Apart from this none of the relatives are holding / crossholding any shares.				
4.	Mr. Pawan Kumar Kakarania	Independent Director	1/1A, Hari Pal Lane, Kolkata 700006	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

Sl No.	Name of the Directors/ Promoters/ KMPs and their relatives	Category	Addresses	Shareholding i.e. No. of Shares	Cross shareholding
5.	Mr. Varun Saraf	Director	6th Floor, Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Nil
	Father: Mr. Arun Kumar Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8,732, % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	Mother: Mrs. Namita Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
6.	Mr. Soumya Saha	Director	29, Prasanna Kumar Tagore Street, Kolkata-700 006	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
7.	Mr.TN Thanikachalam	Company Secretary	AP 392, 11th east cross street, MKB Nagar, Chennai - 600 039	Nil	Nil
	None of the relatives are holding / crossholding any shares.				
8.	Ms. Natarajan Muthulakshmi	Chief Financial Officer	1m kamarajar Thenvadal street, KK Nagar, Madurai - 625 020	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

For and on behalf of Asian Hotels (East) Limited &
GJS Hotels Limited

sd/-
Saumen Chatterjee
Chief Legal Officer &
Company Secretary

For and on behalf of Robust Hotels Private Limited

sd/-
T. N. Thanikachalam
Company Secretary

Annexure "ES-4"

Share Entitlement Report for the Reorganization of Share Capital and Debentures of Robust Hotels Private Limited under the Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective Shareholders

February 02, 2017

Prepared by:

NSBP & Co.

107, Tribhuvan Complex

Ishwar Nagar, Mathura Road

New Delhi – 110 065

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List of Abbreviation

Abbreviation	Description
AOA	Articles Of Association
MOA	Memorandum of Association
SOA	Scheme of Arrangement
Appointed Date	31st March, 2016
Valuation Date	31st March, 2016
BSE	Bombay Stock Exchange
CAPM	Capital Asset Pricing Model
Cr.	INR Crore
EBIT	Earnings Before Interest & Tax
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortisation
EV	Enterprise Value
AHEL/ Asian Hotels	Asian Hotels (East) Limited
RHPL/ Robust Hotels	Robust Hotels Private Limited
GJSHL/ GJS Hotels	GJS Hotels Limited
CRPS	12% Cumulative Redeemable Preference Shares issued by Robust Hotels
CNOCPS	1% Cumulative Redeemable Optionally Convertible Preference Shares issued by Robust Hotels
Unsecured NCDs	0.1% Non-Convertible Debentures issued by Robust Hotels

CCPS	1% Compulsorily Convertible Preference Shares (erstwhile 1% CRDCPS)
Securities or Financial Instruments	12% CRPS and 0.1% Unsecured NCDs to be reorganised and converted under the Scheme
ICAI	The Institute of Chartered Accountants of India
Lakh(s)	INR Lakhs
NAV	Net Asset Value
PAT	Profit After Tax
NSBP/We	NSBP & Co., Chartered Accountants
WACC	Weighted Average Cost of Capital

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CHAPTER 1 - DISCLAIMER CLAUSE

This Share Entitlement Report ("Report") is being furnished by NSBP & Co. ("NSBP") at the request of the management of Asian Hotels (East) Limited (**"AHEL" or "Asian Hotels"**) and Robust Hotels Private Limited (**"RHPL" or "Robust Hotels"**) for determining the share entitlement ratio upon reorganisation and conversion of the 12% Cumulative Redeemable Preference Shares (**"CRPS"**) and 0.1% Unsecured Redeemable Non-Convertible Debentures (**"Unsecured NCDs"**) of Robust Hotels into Equity Shares of Robust Hotels at fair value under the proposed Scheme of Arrangement between GJS Hotels Limited (**"GJSHL" or "GJS Hotels"**), Asian Hotels, Robust Hotels and their respective shareholders. The Scheme provides for (1) demerger of Investment Division (Demerged Undertaking) of GJS Hotels to Asian Hotels and (2) reorganisation of share capital and debentures of Robust Hotels ("Scheme" or "Scheme of Arrangement"). As represented to us, Robust Hotels will become a wholly owned subsidiary of Asian Hotels consequent to demerger of the Investment Division of GJS Hotels to Asian Hotels under the Scheme. Upon such demerger, Asian Hotels would become the holder, inter alia, of the 0.1% Unsecured NCDs of Robust Hotels in addition to the 12% CRPS already held by it in Robust Hotels. In terms of the Scheme, the management of Asian Hotels and Robust Hotels (**"Management"**) would be evaluating the reorganisation and conversion of the said 0.1% Unsecured NCDs and 12% CRPS (hereinafter collectively referred to as the **"Securities"** or **"Financial Instruments"**) of Robust Hotels (**"Purpose"**). Hence, NSBP has been appointed to determine the fair and equitable share entitlement ratio for the proposed conversion. The date of valuation for this exercise is March 31, 2016 ("Valuation Date").

The Report has been prepared by NSBP from the information extracted from desk research, published Reports financial projections, and other data including terms of investments, room-nights available, actual occupancy rates, average room realization, etcetera supplied by the Management. Our agreed scope of work does not include verification of data submitted by the Management and we have fully relied upon the data provided to us.

The factual data, business details and projected financial statements have been provided by the Management. While the information provided herein is believed to be true and reliable to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information.

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The information contained herein is based on certain assumptions and Management's analysis of information available at the time the Report has been prepared. NSBP does not purport to give any representation, warranty or other assurance in relation to such information.

The Report highlights the alternative approaches to valuation and summarizes the methodologies keeping in view the circumstances of the business and arrives at the fair value for the conversion.

This Report must be considered in the above-mentioned context only and is not an advisory document for any other purpose. The Report may not be distributed, reproduced, or used, without the express written consent of NSBP for any purpose other than mentioned above. Our valuation analysis should not be construed as an investment advice and we do not express any opinion on the suitability of any investment with any company. This Report is to be read in its entirety.

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CHAPTER 2 - SCOPE OF WORK

We understand that GJS Hotels, Asian Hotels (East) Limited and Robust Hotels and their respective Members would be entering into the Scheme of Arrangement (SOA) with Appointed Date being 31st March, 2016. The Scheme is in two parts:

i. Demerger of Investment Division of GJS Hotels into Asian Hotels. In terms of the Proposed Scheme, the Investment division of GJS Hotels is to vest in Asian Hotels. As on the Appointed Date GJS Hotels held the following securities in its Investment Division:

   a. 89,64,623 1% Cumulative Redeemable Optionally Convertible Preference Shares of Robust Hotels ("CROCPS");

   b. 2,05,00,000 0.1% Unsecured Redeemable Non-Convertible Debentures of Robust Hotels ("Unsecured NCDs"); and

   c. 6,39,32,769 Equity Shares of Robust Hotels.

   Apart from above, as on the Appointed Date, Asian Hotels already held 43,00,000 12% Cumulative Redeemable Preference Shares ("CRPS") of Rs.100 each in Robust Hotels.

ii. In terms of the Scheme, out of the aforesaid securities of Robust Hotels, 1,55,00,000 0.1% Unsecured NCDs and 43,00,000 12% CRPS of Robust Hotels shall be reorganised and converted into equity shares of Robust Hotels.

It is clarified that the balance 50,00,000 Unsecured NCDs of Robust Hotels as on the Appointed Date have since been redeemed and the said 89,64,623 1% CROCPS of Robust Hotels as on the Appointed Date have since been converted into 1% Compulsorily Convertible Preference Shares ("CCPS") in the current financial year (2016-2017). However, since the same were existing as on the Appointed Date, the same have also been considered in the valuation of Robust Hotels as on the Appointed Date but are not required to be reorganised under the Scheme.

The Management of Asian Hotels and Robust Hotels is evaluating the reorganisation and conversion of 12% CRPS and 1% Unsecured NCDs of Robust Hotels, as stated in sub-paragraph (ii) above, into Equity Shares of Robust Hotels. For the said purpose NSBP & Co. has been appointed to apprise the Management on the fair value for the conversion of the said Securities held as Investments into Equity Shares of Robust Hotels as on March 31, 2016 ("Valuation Date"). Therefore, our scope of work shall include apprising the Management on the value of the Securities in consideration (as

per sub paragraphs (a) and (b) above) and the value of equity share of Robust Hotels for the purpose of determining Share Entitlement Ratio upon the conversion of the aforesaid Securities of Robust Hotels.

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Limitation

It may be noted that valuation is a highly subjective exercise and the opinion on valuation may differ from valuer to valuer depending on the individual perception of the attendant circumstances. At best, it is an expression of opinion or a recommendation based on certain assumptions. Please note that:-

a) Valuation does not include the auditing of financial data provided by Management, and therefore we do not take any responsibility for its accuracy and completeness.

b) Valuation should not be considered as an opinion on the achievability of financial projections either mentioned in, or relied upon for this Report.

This Report is to be considered only for the purpose of determining the fair value of the Securities for its conversion into Equity Shares.

While all reasonable care has been taken to ensure that the advice given in the Report is fair and equitable for the above said purpose, neither NSBP nor its constituents including its partners & others shall in any way be responsible for any inadvertent error or error of judgment and any such inaccuracies in this Report that may have crept in or for any error in computing fair value of the Securities.

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CHAPTER 3 - DATA RELIED UPON

For the purpose of this Report, we have relied upon the data, facts, information, documents extracted from desk research, published Reports, and other data provided by the Management:

We have relied upon the following Management certified information:

1. Draft Scheme of Arrangement between GJS Hotels, Asian Hotels, and Robust Hotels and their respective shareholders for demerger, reorganisation and conversion as aforesaid;
2. Audited Balance Sheet of Asian Hotels, GJS Hotels, and Robust Hotels for the FY 2015-16;
3. Assets Valuation Reports shared with us by the management and issued by M/s. Sreenidhi Valuation Consultancy Services, Chennai dated 10th May 2016 in respect of Land, Building, Furniture/ Interior Decorations (excluding Arts), and Machinery of Robust Hotels..
4. Unaudited provisional financials of Robust hotels for the half year ended 30th September, 2017
5. Projection of the hotel business of Robust Hotels up to 2026-27
6. Terms of Issue of Investments of the 12% Cumulative Redeemable Preference Shares;
7. Terms of Issue of Investments of the 0.1% Unsecured Non-Convertible Debentures;
8. Terms of Issue of Investments of the 1% Cumulative Redeemable Optionally Convertible Preference Shares;
9. Board Resolutions of GJS Hotels dated 10th February 2016 and 7th September 2016 and Board Resolutions of Robust Hotels dated 21st May 2016 and 21st September 2016 for alteration of nature of 1% Cumulative Redeemable Optionally Convertible Preference Shares issued by Robust Hotels into 1% Compulsorily Convertible Preference Shares of Robust Hotels
10. Data related to issue and transfer of the Securities, and history of payment of dividends/ interests by the issuer of the Securities;
11. Other facts and data considered necessary to arrive at a fair value

We have also relied upon other written/ verbal information given to us by the Management during the course of our exercise and meetings held. Some of the data required for the purpose of this exercise has been taken from publicly available sources from internet believed to be reliable and true.

CHAPTER 4 - BACKGROUND

A. Company Background:

1. Asian Hotels (East) Limited

Asian Hotels is in the business sector of hospitality. The equity shares of Asian Hotels are listed on Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE"). Asian Hotels was originally incorporated with the name Vardhman Hotels Pvt. Limited w.e.f. 8th January, 2007. Vardhman Hotels, being a wholly owned subsidiary of Asian Hotels Limited and in pursuance of a Scheme of Arrangement (Appointed Date – 31st October, 2009), acquired from Asian Hotels Limited a 5-star hotel in Kolkata i.e. Hyatt Regency Kolkata following the demerger envisaged in the said Scheme. Upon the scheme becoming effective the name of Vardhman Hotels Pvt. Limited was changed to Asian Hotels w.e.f. 11th February, 2010

Asian Hotels Income Statement (Standalone) **(INR Cr.)**

Particulars	31-Mar-16
Revenue from Operations	98.09
Other Income	9
Total Revenue	**107.09**
EBITDA	31.69
PAT/ (Loss)	**8.19**

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Asian Hotels Balance sheet (Standalone) (INR Cr.)

Particulars	31-Mar-16
Equity and Liabilities	
Shareholder's Func	853.05
Non-Current Liabilities	19.13
Current Liabilities	155.89
TOTAL	**1028.07**
Assets	
Non-Current Assets	847.76
Current Assets	180.31
TOTAL	**1028.07**

Asian Hotels Latest Shareholding Pattern as on 1st December, 2016

Particulars	No. of Shares	% holding
Promoter & Promoter Group	75,66,120	65.63%
Public	39,61,677	34.37%
TOTAL	**1,15,27,797**	**100.00%**

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Asian Hotels Schedule of Contingent Liabilities as on 31st March, 2016

S. No	Particulars	Amount (Cr.)
1.	Corporate Guarantee to IDBI bank for Robust Hotels	35.0
2.	LC issued by IDBI Bank Ltd in favor of West Bengal Electricity Distribution Company Limited	0.8
3.	Service Tax under the Finance Act, 1994 pertaining to FY 2003 to Jan-2013	4.4
4.	ESIC under Employee's State Insurance Act 1948 pertaining to FY 2004-05	0.2
5.	Income Tax under the Income Tax Act, 1961 for the FY 2011-12 (Asian Hotels has preferred an appeal)	1.7
6.	Income Tax under the Income Tax Act, 1961 for the FY 2012-13 (Asian Hotels has preferred an appeal)	1.2
7.	Others	0.4

2. Robust Hotels Private Limited

Robust Hotels was incorporated in January 2007 in the state of Tamil Nadu. Robust Hotels is also into the business of hospitality which is registering growth across the country and the same is being reflected in the occupancy of the rooms. Robust Hotels operates Hotel Hyatt Regency, Chennai. Robust Hotels is presently a subsidiary of GJS Hotels and a step down subsidiary of Asian Hotels, which is the parent company of GJS Hotels. Consequent to demerger of Investment Division of GJS Hotels to Asian Hotels, Robust Hotels will become a wholly owned subsidiary of Asian Hotels.

Robust Hotels Latest Shareholding Pattern, as on 1st December, 2016

Particulars	No. of Shares	% holding
Asian Hotels	30,010,000	32%
GJS Hotels	63,932,769	68%
TOTAL	**93,942,769**	**100%**

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Robust Hotels Income Statement **(INR Cr.)**

Particulars	31-Mar-16
Revenue from Operations	94.64
Other Income	0.43
Total Revenue	**95.07**
EBITDA	25.17
PAT/ (Loss)	**(21.67)**

Robust Hotels Balance sheet **(INR Cr.)**

Particulars	31-Mar-16
Equity and Liabilities	
Shareholder's Fund	287.66
Non-Current Liabilities	345.87
Current Liabilities	46.64
TOTAL	**680.17**
Assets	
Non-Current Assets	614.41
Current Assets	65.76
TOTAL	**680.17**

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B. Indian Hospitality Industry:

Demand of Hospitality Industry largely depends on business travelers but tourist traffic is also on the rise. Demand in the Indian Hospitality industry normally spurts in the peak season between November and March. As per a IBEF report, nearly 7.1 million foreign tourists arrived in India in 2015 (from January to November). Foreign Tourists arrival is expected to grow at a CAGR of 7.1% during 2005-25. Rating agency ICRA Ltd. estimates the revenue growth of Indian hotel industry strengthening to 9-11 per cent.

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, eco-tourism, filmography, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. The launch of several branding and marketing initiatives by the Government of India such as Incredible India! and Athiti Devo Bhava have provided a focused impetus to the growth.

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Source:

http://www.ibef.org/

https://www.equitymaster.com

http://www.icra.in/

CHAPTER 5 - VALUATION APPROACHES

The valuation methodology to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation depends upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

Various Valuation approaches are explained below:

Net Asset Value

This methodology is likely to be appropriate for a business whose value is driven mainly from the underlying value of its assets rather than its earnings, such as property holding and investment business. This method may also be appropriate for a business that is not making an adequate return on assets and for which a greater value can be realized by liquidating the business and selling its assets. This methodology can also assume the amount which can be realized by liquidating the business by selling off all the tangible assets of a company and paying off the liabilities.

Some of the most common techniques of valuation considered under this approach are to value a business enterprise on the following basis -

1. Book value: This is simply a value based upon the accounting books of the business. In simple term, Assets less liabilities equals the owners' equity, which is the "Book Value" of the business.
2. Adjusted book value: This method involves reviewing each and every assets and liabilities on the company's balance sheet and adjusting it to reflect its estimated market value. The unrecorded and contingent liabilities are also considered at their fairly estimated value.
3. Replacement value: The asset valuation methodology essentially estimates the cost of replacing the tangible assets of the business taking into account the market value of various assets or the expenditure required to create the infrastructure more or less similar to that of a company being valued. Since the replacement methodology assumes the value of business as if a new business is set, this methodology may not be relevant in a going concern.

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Discounted Cash Flow

1. DCF methodology expresses the present value of a business as a function of its future cash earnings capacity. This methodology involves estimation of post-tax cash flows for the projected period, after taking into account the business's requirement of reinvestment in the terms of capital expenditure and incremental working capital. The value of a business so measured is discounted to the present time at an appropriate discount rate. This method is used to determine the present value of a business on a going concern assumption.
2. When valuing a business on a DCF basis, the objective is to determine a net present value of the cash flows arising from the business over a future select period of time, which is called the explicit forecast period.
3. Under the DCF methodology, value must be placed both on the explicit cash flows as stated above, and the ongoing cash flows a company will generate after the explicit forecast period known as terminal value.
4. The discount rate applied to estimate the present value of free cash flows, is taken at the "Weighted Average Cost of Capital" (WACC).The principal elements of WACC are cost of equity (which is the desired rate of return for an equity investor given the risk profile of the company and associated cash flows), cost of preference, the post-tax cost of debt and the current capital structure of the company (a function of debt to equity to Preference ratio).
5. Value obtained by using DCF method gives us the Enterprise Value; and adjustment for the loans and Preference Capital as on the valuation date gives us the Equity Value.
6. This method is generally used when there is reasonable certainty on the timing, quantum and quality of the cash flows, which has its close coupling with the underlying assets (e.g. in case of a manufacturing company). It is the most commonly used valuation technique, and is widely accepted by valuers because of its intrinsic merits.

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THE MARKET APPROACH (RELATIVE VALUATION APPROACH):

Market value is also known as extrinsic value. The basis of market value is the assumption that if comparable Asset (or property) has fetched a certain price, then the subject asset (or property) will realize a price something near to it. There is a significant philosophical difference between discounted cash flow and relative valuation. In discounted cash flow valuation, we are attempting to estimate the intrinsic value of an asset based upon its capacity to generate cash flows in the future. In relative valuation, we are making a judgment on how much an asset is worth by looking at what the market is paying for similar assets. If the market is correct, on average, in the way it prices assets, discounted cash flow and relative valuations may converge. If, however, the market is systematically over pricing or under-pricing a group of assets or an entire sector, discounted cash flow valuations can deviate from relative valuations.

This method involves reviewing transactions for companies that are in the same or similar line of business as the company being valued and then applying the relevant pricing multiples to the subject company to determine its value. The method might involve private company transactions, public company transactions, as well as public company valuation measures using current share market data. The theory behind this approach is that valuation measures of similar companies that have been sold in arms-length transactions should represent a good proxy for the specific company being valued. Depending on the source of data available and the underlying company being valued, a variety of valuation measures might be used including Enterprise Value (EV) to Sales, EV to EBITDA, EV to EBIT, Price to Earnings, etc. Adjustments are commonly made to these valuation measures before applying to the subject company to ensure an "apples-to-apples" comparison. One or many comparable sales might be considered under this method depending on the data available and the degree of similarity to the company being valued.

Also, the equity value of the company can be derived by multiplying the market price (or weighted average market price) as on the appointed date with the number of equity share as on that date. The aforesaid derived value is also known as Market Capitalization.

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CHAPTER 6 - VALUATION METHODOLOGY ADOPTED – FINANCIAL INSTRUMENTS

The value of any asset, real or financial, is equal to the present value of cash flows expected from it. Hence determining the value of the preference shares and debentures shall require

- An estimate of expected cash flows, and
- An estimate of required return;

In the present case, we have determined the fair value of the 12% Cumulative Redeemable Preference Shares and 0.1% Unsecured Non-Convertible Debentures by applying Discounted Cash Flow Method, since the future Cash flows from these Securities can be estimated to a reasonable extent.

Debt instruments and Cumulative Preference Shares promise to pay a stipulated stream of cash flows. This generally comprises of the periodic interests or dividends payment and the principal payment at the time of maturity.

Since the Cumulative preference shares promise to pay/ accumulate dividends irrespective of the financial performance of a company in a given year, these are considered to be carrying lesser risk as compared to their counterparts i.e. Non- Cumulative Preference shares. This has also been highlighted by Para 8.4 on Page 59 of ICAI Technical Guide on Valuation, 2009 Edition:-

"8.4 (a) *Preference Shares may be cumulative preference share. In such case, the risk involved is still lower, with a corresponding effect on the rate of capitalization. In cases where there is uncertainty of future dividends, this is an important right and a preference share not carrying this right will be valued at a substantially lower figure."*

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The value of the 12% Cumulative Redeemable Preference Shares and 0.1 % Unsecured Non-Convertible Debentures, keeping in view the aforementioned aspects has been calculated based on certain assumptions and terms of investments provided by the Management, which are as given below –

1. **12% Cumulative Redeemable Preference Shares ("CRPS")**

Asian Hotels had invested in 12% Cumulative Redeemable Preference Shares of Robust Hotels. These preference shares of face value of Rs. 43 crores were acquired from JP Morgan at Rs. 61.53 crores (approx.) in the year 2010-11. These were initially issued in the year 2008-09 to Citicorp Finance India Limited in the year 2008-09. The CRPS are redeemable at a premium of 10 % per annum. We understand from Management's representation that till date no dividend has been paid by Robust Hotels (Dividend cumulated till 31st March, 2016 is Rs. 39,07,46,301/-).

i. Face Value of Security

43,00,000 12% cumulative Redeemable Preference Shares of Rs. 100/- each i.e. Face Value equal to Rs. 43 crores;

ii. Cash Flow to the Security Holder

Period: As per Management representation and from past records, Robust Hotels has extended the tenure of redemption to 03rd September, 2028. Hence, the total period for the cash flows (i.e. dividends and redemption premium) as per the terms of investments and Management representation from the valuation date i.e. March 31, 2016 is taken till September 03, 2028. The Securities were initially issued on September 04, 2008;

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iii. Terminal Value

The terminal value of the 12% Cumulative Redeemable Preference Shares has been taken as the principal amount and the 10% Premium on redemption calculated from September, 2008 to September, 2028.

Value of premium on redemption taken at appropriate Discounting factor comes at Rs. 21.04 crores (approximately);

It is clarified that arrears of dividend accumulated on the 12% Cumulative Redeemable Preference Shares as on 31st March 2016 have also been considered and included in the valuation.

iv. Discounting Factor

In determining the present value of the cash flows that are available to holder of 12% CRPS, the discount rate used is 12% i.e. the dividend rate. This reflects the opportunity cost of the holder i.e. the post-tax expectation of the holder of these instruments. The 12% discounting rate has been used, considering the relative low risk associated due to the feature of Cumulative Dividends being attached with the financial instrument.

Therefore, on the basis of above mentioned factors, the Fair Value as on 31st March, 2016 of the 12% Cumulative Redeemable Preference Shares as per DCF Method works out to Rs. 64.10 crores (approximately)

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2. 0.1% Unsecured Redeemable Non-Convertible Debentures (Unsecured NCDs)

GJS Hotels had invested in 0.1% Unsecured Redeemable Non-Convertible Debentures of Rs.100 (Unsecured NCDs) each in Robust Hotels amounting to Rs. 205 crores, which consequent to the proposed demerger shall stand vested in Asian Hotels. Interest outstanding as on March 31, 2016 is Rs. 18.45 lacs.

i. **Face Value of Security**

2.05 crores 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each i.e. Rs. 205 crores

ii. **Cash Flow to the Security Holder**

Period: The total period for the cash flows (i.e. interest) from the valuation date i.e. March 31, 2016 taken as per the terms of investments is 9 years i.e. till March 31, 2025

iii. **Terminal Value**

The terminal value of the 0.1% Unsecured NCDs has been taken as the principal amount to be repaid upon maturity of the said security.

iv. **Discounting Factor**

In determining the present value of the cash flows that are available to holder of 0.1% NCDs, the discount rate used is 8.4%. This reflects the opportunity cost of the holder i.e. how much post-tax return a holder of the said Securities would expect from such Securities.

Therefore, on the basis of above mentioned factors, the Fair Value as on 31st March, 2016 of the 0.1% Unsecured Non-Convertible Debentures as per DCF Method works out to Rs. 100.62 crores

Therefore, as per the above calculations, the Fair Value as on 31st March, 2016 of the Securities in Consideration i.e. 12% CRPS and 0.1% unsecured NCDs, according to the method detailed above, works out to Rs. 164.72 crores (approximately).

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CHAPTER 7 – VALUATION METHODOLOGY ADOPTED – ROBUST HOTELS PRIVATE LIMITED

The proposed transaction in the present case between Asian Hotels and Robust Hotels has been valued on the basis of arm's length price between Asian Hotels and Robust Hotels. The value of the hotel business of Robust Hotels has been ascertained using average of Discounted Cash Flow method and Net Asset Value method, also keeping the control aspect consideration involved in view. Net Asset Value has also been taken for the purpose of valuation, considering that to any prospective buyer in a hotel business, which also owns the hotel property the value of property is as important as the income that can be earned from it.

The management of the hotel is with the Robust Hotels. The average value of the Hotel business of Robust Hotels has been ascertained using Discounted Cash Flow method and Net Asset Value method,

1. **Discounted Cash Flow Method:**

   As per "**The Valuation of Company shares and business**" by Adamson & Adamson, 6th edition published in 1980 in McCathie's case, it was decided as under –

   "A Purchaser of shares in a company which is a going concern does not usually purchase them with a view to attempting to wind up the Company.... The real value of the share will depend more on the profits which the Company has been making and should be capable of making, having regard to its nature of business..."

   The value of Robust Hotels as per the Discounted Cash Flow Method has been calculated based on assumptions and business plans provided by the Management, using Free cash flow to Firm approach, and subsequently reducing the Fair Value of Non-Equity claims in Robust Hotels to arrive at Equity Value of Robust Hotels.

   This approach has been substantiated in 6th Chapter of Damodaran on Valuation, 2nd Edition (Page – 209) :

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"... The Value of Equity can be extracted from the value of firm by subtracting the market value of outstanding debt"

"In theory, the value of equity obtained from the firm valuation and equity valuation approaches should be the same if you make consistent assumptions about financial leverage"

Calculation using the above mentioned approach is as given below

a) **Free Cash Flow**

Explicit Period: FY 2016-17 to FY 2026-27

Perpetual value: The perpetuity value has been calculated on the basis of financials of FY 26 -27.

It is substantiated from the quotation from Page 7 & 8 of "Technical guide on Share Valuation, by The Institute of Chartered Accountants of India, Published in Year 2009 -

"Cash flow should reasonably capture the growth prospects and earnings capability of a company. The forecasted period should necessarily cover the entire business cycle of a company"

b) **Discounting Factor – Weighted Average Cost of Capital (WACC)**

In determining the present value of the cash flows that are available to firm, the discount rate used is cost of capital of the entity, i.e. WACC. This reflects the opportunity cost of the company. WACC represents the Industry's Cost of Capital i.e. what shall be the Average cost of capital for an industry specific company in a **Perfect Market.** Robust Hotels has issued to its holding company (G.S Hotels), Debentures at 0.1% Coupon rate which is substantially lower than market rate. Considering that if in future the shareholders intend to sell the Robust stake in the company to a third party, they would require such capital be repaid as well, we have taken in our workings normalized cost of capital.

Hence, it has been considered important to discount the capital employed at normalized rates to give a true and fair value to Robust Hotels. WACC is arrived at by using the following formula:

WACC = (Cost of Equity * Shareholders Funds/ Total Funds) +

(Cost of Preference * Preference Share Capital/ Total Funds) +

(Cost of Interest Bearing Debt * Interest Bearing Debt/ Total Funds)

Note: Capital Employed i.e. Shareholders' Funds, Preference Share Capital, and Interest Bearing Debt denotes the carrying values as appearing in the balance sheet on the valuation date, including securities premium received thereon, or excluding discount given on issue (if any).

c) **Cost of Equity**

The cost of equity has been determined by using Capital Asset Pricing model (CAPM). This has been computed as follows:

Cost of equity = Rf + (Rm – Rf) (Beta)

Where,

Rf denotes risk free rate of return as per the "Public Debt Management Quarterly Report" for the quarter ending March 31, 2016 which is **7.46%.**

Rm denotes return on diversified market portfolio return. Rm is considered **16.12%** which has been the market rate of return on Bombay Stock Exchange from April 1, 1979 to March 31, 2016.

Beta represents the systematic risk associated with investments. It is assumed that for shareholders the substitute opportunity for investment would be investment in SENSEX. Hence, we have assumed the shareholders' expectation equal to the market return (based on the return on BSE from 1979 till date).

The average beta for major listed hospitality sector companies in India is approximately 0.86, and considering that Robust Hotels has not yet fully stabilized its operations and Robust Hotels is a single hotel, unlisted company, and the age of property being relatively new, we have considered Beta as 1.

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The Cost of equity (ke) comes out to be 16.12%

d) **Cost of Debt**

The cost of interest bearing debt has been computed considering post tax cost of debt of the Robust Hotels. Robust Hotels has outstanding as on 31st March, 2016 0.1% Debentures of Rs. 205 crores, and Rs. 148.24 crores, including outstanding interest on the principal which is approximately Rs. 3 crores. Term Loan raised from HDFC Bank at 12.40%. However, considering that any rational long term investor in the hospitality industry, in an arm's length transaction investing in Unsecured Debentures of a company would expect a higher rate of return, we have taken cost of debentures to be at 12%.

Based on above figures and assumption, **effective post-tax cost of term loan and debentures works out to 8.11% and 7.85% respectively.**

e) **Cost of Preference Capital**

Robust Hotels had issued two classes of Preference Capital:

- 1% Cumulative Redeemable Optionally Convertible Preference Shares to GJS Hotels, and
- 12% Cumulative Redeemable Preference Shares to Asian Hotels;

1. The cost of Preference Capital has been computed considering Post - CDT Cost of Preference Capital of Robust Hotels. Robust Hotels has issued preference shares to Asian Hotels carrying dividend rate of 12%. Considering normal expectation of any long term rational investor investing in an arm's length transaction in the Preference Share Capital of a company in the hotel industry, we have taken cost of preference shares to be as the dividend rate i.e. 12% and an effect of DDT has been grossed up thereupon.

   Based on these assumptions and figures, **effective post-CDT cost of 12% preference shares works out to 14.44%.**

2. GJS Hotels had invested in 1% Cumulative Redeemable Optionally Convertible Preference Shares amounting to Rs.192.74 crores in FY 2013-14 and FY 2014-2015 in Robust Hotels. It has been represented to us that management of GJS Hotels and Robust Hotels vide Board Resolutions dated 10th February, 2016 and 21st May 2016 respectively had resolved to convert this investment from Cumulative

Receemable Optionally Convertible Preference Shares to Compulsorily Convertible Preference Shares ("CCPS"). However, the conversion was not executed within FY 2015-16. Such conversion was effected on 1st October 2016.

As resolved earlier, on October 1st, 2016, the management of GJS Hotels and Robust Hotels have, pursuant to Sections 48 and Section 55 of Companies Act 2013 entered into a mutual agreement to convert the nature of Optionally Convertible Preference Shares to Compulsorily Convertible Preference Shares. Further, the dividend accumulated till date of conversion into CCPS has been waived off as mutually agreed. As such, the investment of GJS Hotels of Rs. 192,73,93,945/- in 89,64,623 1% CROCPS of Rs. 10/- will get converted into 6,02,31,061 number of equity shares of face value of Rs. 10 each at a conversion price of Rs.32/- per share in the current financial year, i.e 2016-2017.

Since it is evident that the Cumulative Redeemable Optionally Convertible Preference Shares are in true form Equity Share Capital and were not to be redeemed but converted into equity capital, as above, for the purpose of calculation of WACC, Cost of 1% Preference Capital has been taken equivalent to Cost of Equity Share Capital i.e. **16.12%** .

f) **Cost of Capital**

The WACC, considering the Fund Structure of Robust Hotels as on March 31, 2016, has been worked out to be **11.53%**, which has been used for the purpose of the valuation.

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g) **Value in Perpetuity**

The perpetuity value is the value of the business beyond the explicit forecast period. The last year free cash flows (FY 2026-27) have been considered for the purpose of computing perpetual value. A growth rate of 3% has been considered in the perpetuity for the purpose of computing perpetuity value.

Therefore, on the basis of above mentioned factors, the Enterprise Value of Robust Hotels as per DCF Method works out to Rs. 542.51crores as on 31st March, 2016

2. **Net Asset Value approach:**

The second approach which has been used to measure the fair value of Robust Hotels is the Net Asset Value (NAV) method.

Hotel Industry is a highly asset heavy sector, therefore the other approach which has been used to value Robust Hotels is the Net Asset Method. Further, Real Estate which is a major component of the total assets of a hotel business, being in a good location has the rental earning capacity or capital appreciation prospects with possibility of more hotels opening up in the vicinity in the near future. Hence, in the given scenario of acquisition of 100% control value in a hospitality sector company, it has been considered vital to take into account the fair value of the assets as well. Hence, all the assets pertaining to Robust Hotels have been valued as per the asset valuation report and the carrying values in the balance sheet and as on 31st March 2016, as provided by the Management; the liabilities have been taken as per the carrying amounts in the balance sheet of Robust Hotels as on 31st March, 2016

Therefore, on the basis of the Adjusted Net Asset Value method, the Value of Robust Hotels works out to Rs. 711.42 crores (approximately)

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Considering the fact that the Hotel Business is intended to be continued on a 'going concern' basis and that the hotel industry is an asset heavy sector and any person acquiring shares in Robust Hotels will also end up acquiring controlling interest over the huge pool of assets, we have considered it appropriate to give weightage of '1' to the value determined using 'Discounted Cash Flow approach' and weightage of '1' to value determined using 'Net Assets Value approach'.

The Average Enterprise value of Robust Hotels works out to be Rs. 626.97 crores (approximately). Accordingly, the Equity Value i.e. value only to the shareholders of the Robust Hotels which is arrived at after deducting from the above derived enterprise value, the fair value of Non-Equity Claim i.e. 12% preference capital, 0.1% debentures and Loans comes at Rs. 314.00/- crores (Refer Chapter – 6 for values of 12% Preference Shares and Debentures)

Given the true nature of 1% CROCPS being Equity Share Capital, we have taken the value of Robust Hotels on fully diluted equity shareholding bases. As on 31st March, 2016 Robust Hotels has total number of issued and paid up equity shares outstanding of 9,39,42,769 and equivalent number of preference shares to be converted into equity as per terms highlighted above stand at 6,02,31,061. The total number of diluted equity shares thus stands at 15,41,73,830.

Therefore, estimated diluted equity value per share of Robust Hotels comes at Rs. 20.37/- approximately, rounded off to Rs. 20/- per share.

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CHAPTER 8 – VALUATION RECOMMENDATION

On the basis of our valuation estimate and derivation in accordance with preceding chapters, we are of the opinion that the share entitlement ratio as per below table of equity shares of face value Rs. 10/- each and at Premium of Rs. 10/- (total value – Rs. 20 per share, refer chapter 7 above) per share of Robust Hotels is fair and reasonable:

Particulars	Value (In Rs. Crores)	Number of units	Value Per unit	Share Entitlemer (per 100 units)
12% Cumulative Redeemable Preference Shares	64.10	43,00,000	149.00	745
0.1% Unsecured Redeemable Non-Convertible Debentures	100.62	2,05,00,000	49.09	245

Signatory – Mr. Praveen Verma
M. No. – 504686
(ICAI)

Authorized Signatory

For NSBP and Co.

Chartered Accountants

Membership No: 001075N

NSBP & CO. New Delhi Chartered Accountants

Date: 2nd February, 2017

Place: New Delhi

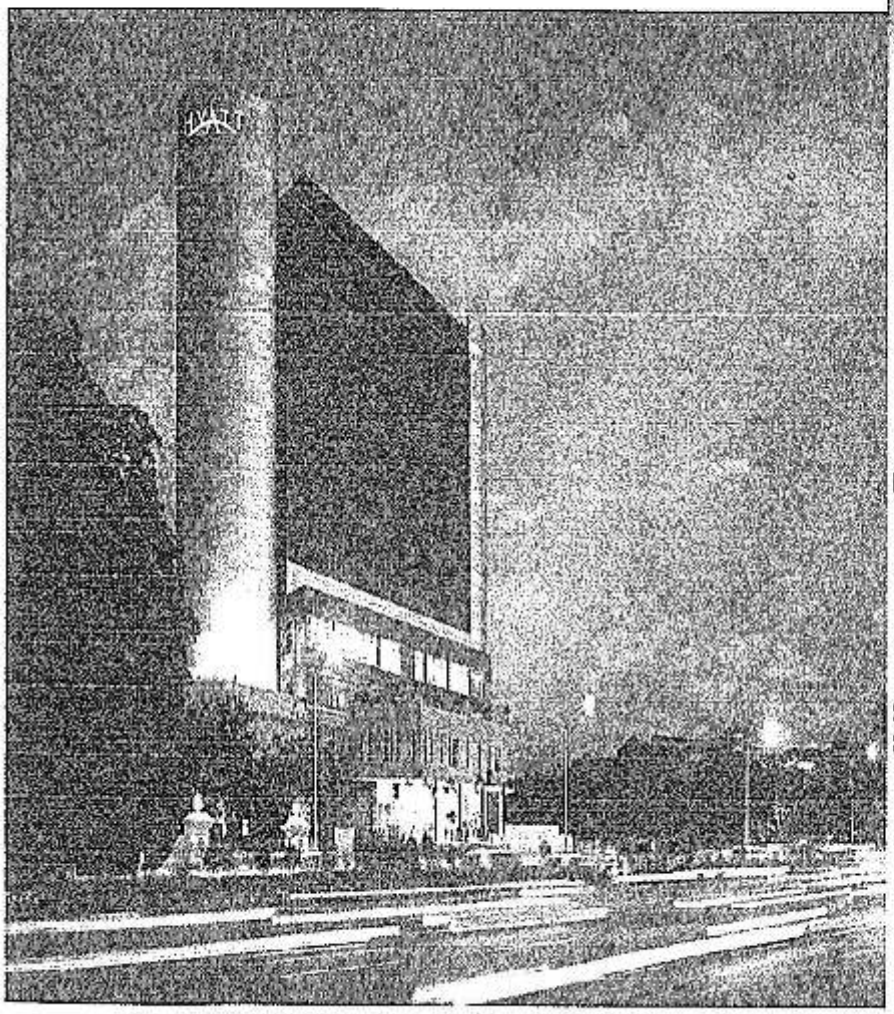
OPINION ON MARKET VALUE

For

M/s. Robust Hotels Private Limited, Chennai

In respect of property located in

No 365, Anna Salai, Teynampet, Chennai—600 018



Prepared by

Sreenidhi Valuation Consultancy Services, Chennai.

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EXECUTIVE SUMMARY

SUB: Opinion on the Market value of the building along with the fixtures available as on 16 th May 2016 at No 365, Anna Salai, Teynampet, Chennai-600018.

On instructions from M/s. Robust Hotels Private Ltd, Chennai ("Client"), this evaluation exercise is undertaken in respect of the Land and Building of the "Hotel Hyatt Residency" located at No 365, Anna Salai, Teynampet, Chennai—600 018, Tamil Nadu, IN ("Subject property) along with the machineries and fixtures installed / erected therein and excluding the art work done in the hotel.

The scope of the engagement, as defined by the Client requires a realistic assessment of the present market value of the Immovables and movables comprised in the Subject property under the comparable method. It excludes compliance study and evaluation of deviations, if any. The Income Discounting approach has not been adopted for want of data.

The ownership over the land of an undivided share of 1.35 Lakh Sqft out of 1.79 lakh Sqft along with partly finished structure of an extent of 6.31 Lakh Sqft and also the movables including machineries erected therein were acquired by M/s Robust Hotels Pvt Ltd vide Sale Deed document no 752/2007 dated 5th Jul 2007 ("Title document").

It is understood that after purchasing the property on as-is-where-is condition, M/s Robust Hotel Pvt Ltd under took the finishing works and duly obtained the Completion Certificate from CMDA vide ref no C.C.No.EC/South/105/2011 Dtd 25/08/2011 for Double basement + Ground floor + 15 Floors with a subject to condition that the security deposit shall not be refunded in the view of the Cited additional area constructed in the top most storey not covered in the approved plan. Direction to pay the development charges for the additional area constructed in the top most floor. We are not updated on the present status of the aforesaid proceedings.

Key Pointers:

The property is located in one of the most commercially prominent location viz Teynampet.

The Scope of our engagement is for estimating the realistic market value of the Land, Structure and the machineries and fixtures comprised in the Subject Hotel . This opinion repot of assessment and evaluation is for the consumption of client and its holding company only .

The Land Valuation, as defined by the scope has been conducted under the Sale Comparable Method and excludes all other methods including Income Discounting method and the Deviation & risk analysis.

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We have adopted the Comparable method for estimating the Land value and Depreciated Replacement value for the Structure.

With regard to the Land valuation, we have considered the Un-divided share of land as one single land parcel and accordingly arrived at the value.

We are informed that though the shell of the property was completed as early as 1998 itself, the construction was stalled owing to financial reasons. The overall construction was eventually completed only in 2007 and the same has been considered as the year of completion for our valuation purposes.

With regard to Machineries, We have relied upon the data provided by the client to estimate the make, model and age of the machines. We have not perused the invoices of these machines.

As most of the machineries are more than a decade old, their technology platforms stands replaced with newer versions leaving the existing platforms redundant. For such machineries, we have attempted to arrive at a reasonable utility value for the machinery & its technology based on comparable sale instances in the recent past. We have extensively relied upon the data available over the internet while valuing of these machineries.

With regard to the Fixtures, we have largely relied upon the data furnished by the Management. Few items were verified on a random sampling basis and not material discrepancies were observed.

For Sreenidhi Valuation Consultancy Services
For SREENIDHI VALUATION CONSULTANCY SERVICES

Authorized Signatory Authorised Signatory

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General Terms of Appointment & Disclosures

Limitations on Liability

No claim arising out of or in connection with this opinion report may be brought against any member, employee, Partners, or consultant of Sreenidhi Valuation Consultancy Services

Legal parameters of the property

It is assumed that Owners have clear and marketable title to the property for its development. We have carried out legal due diligence and have not checked the legal aspects of the property. We also recommend that the documents provided to us are subjected to formal legal inspection in order to ensure that there are no elements, restriction or charges contained on the property.

Basis of this report

Primary source of information for this report is documents /Information provided by the client and site visit conducted by our executive Mr. Degalisan on 5 th May 2016.

General Assumptions & Disclaimers

1. In preparation of this report, we have assumed that documents/information provided by the client is materially correct & true in all respects.

   We have assumed that all the constructed structures and proposed construction is/will be free from harmful materials and/or techniques. Our analysis is on the basis that no such materials or techniques have been used.

3. For the purpose of this report we have assumed that the property is not subject to environmental contamination. However, as we are not experts in this field, we recommend that an appropriate consultant may be engaged to confirm our assumptions. If the subsequent investigation identifies any environmental contamination on the site, our report may require revision.

4. We are unaware of any government planning or other such matters that might affect the property other than any already mentioned. However, as no specific enquiries have been made we cannot confirm that the property is unaffected.

5. The land area and the built up area is considered as per the Deed of transfer .

6. It is assumed that the owners of the land will obtain all the statutory requirements for the functioning hotel as conceived.

7. At the time of this exercise, we have relied up on the data supplied by the client, land area as per the documents made available and are assumed to be true and accurate. We do not take any responsibility for inaccurate data furnished by the client and other related third parties.

8. No structural survey, geo physical survey and environmental assessment is carried out, as they are out or scope of this exercise.

9. This Opinion report on market value of the subject property is for the aforesaid purpose only and the same is not to be shared for any other purpose without written communication to M/s. Sreenidhi Valuation Consultancy Services.

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Client Profile

Name	M/s. Robust Hotels Private Ltd.,
About the developer	M/s. Robust hotels Pvt ltd is a group company of M/s. Saraf Hotel Enterprises. Hyatt Regency is the hotel located in Chennai. Hyatt Regency - Chennai awarded as 'Best Construction & Design in India' by International Hotel Awards.

SOME OF THE FEW OTHER HOTELS OF M/s. SARAF HOTEL ENTERPRISES		
S.No	**Hotel Name**	**Location**
1	Yak & Yeti	Kathmandu
2	Hyatt Regency Kathmandu	Kathmandu
3	The Grand	New Delhi
4	Hyatt Regency	Kolkatta
5	Grand Hyatt	Mumbai
6	Hyatt	Raipur
7	Hyatt Place	Hampi
8	Hyatt Regency	Ahmedabad

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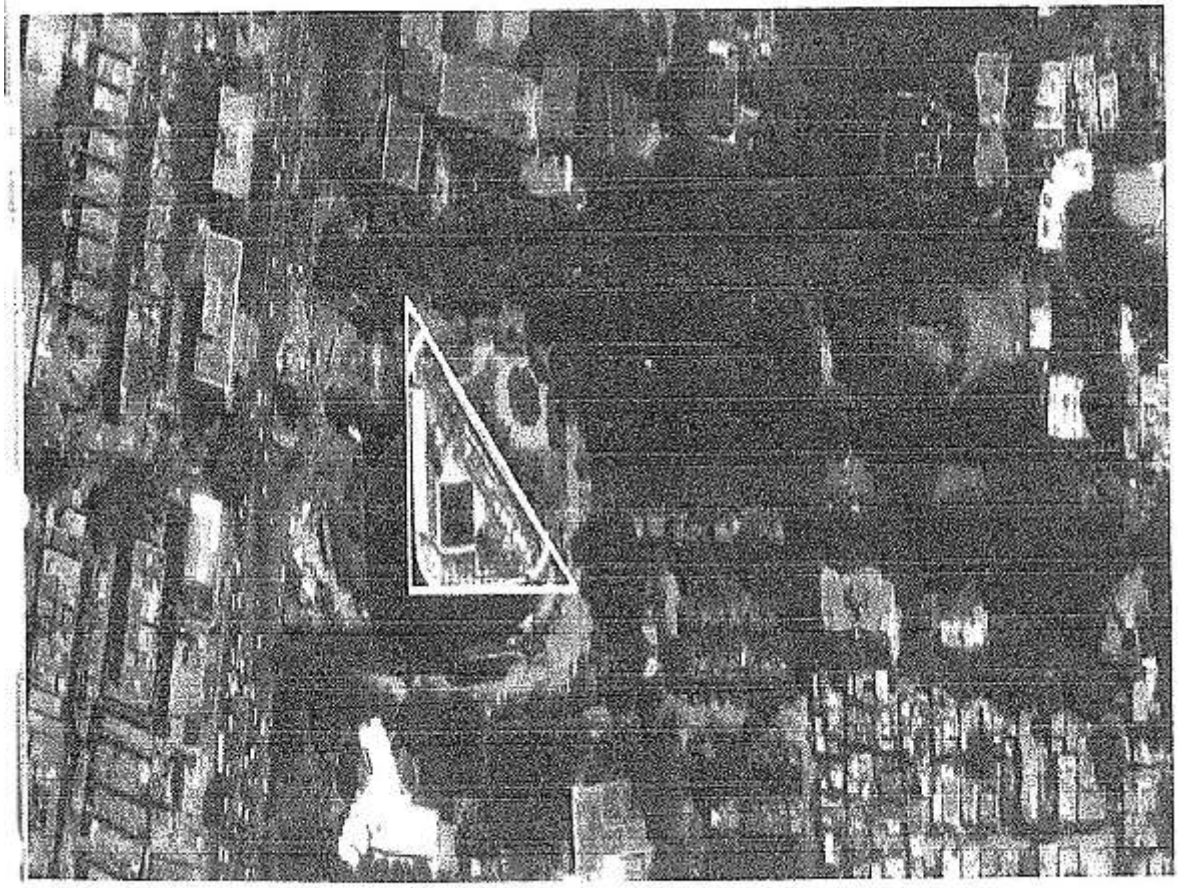
HOTEL INFO	
Hotel Name	Hyatt Regency
Address	365, Anna Salai, Teynampet, Chennai 600018 , Tami Nadu, India
R. Survey Numbers	No 1400, of Mylapore village, Collector certificate no. 732
Co-ordinates	13.042829, 80.248280
Structure Specs	Double Basement + Ground + 15 Floors.
Facilities	Swimming Pool and Kids Pool, Spa, Fitness center, Valet Parking, Airport transfers, Foreign Exchang, Travel desk services, restaurants, Business Centre, Meeting spaces, Bar Etc.,
Age of the Building	10 Yrs (As reported)
Estimated balance life	50 Yrs
Tenanted or Self Occupied	Self Occupied
Tenure of land	Freehold



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Property Description	
Boundaries	**As per Site**
North	Buildings and Land
South	Road
East	Buildings and Land
West	Road
Shape	Irregular
Entrance Road	Anna Salai (Western Boundary)
Owner Name	M/s. Robust Hotels Private Limited.,
Infrastructure Sources	
Water	Corporation water
Power/Electricity	Tamil Nadu Electricity board
Sewerage	CMWSSB

LAND DETAILS :

As per the deed of transfer vide document no 752/2007 dtd 5th Jul 2007 ("Title document") , subject property land is owned by M/s. Robust Hotels Pvt Ltd ("Owners"). The land extent of the subject property is conveyed as Un divided share to the extent of 1,35,294 Sq.ft out of 1,79,483 Sq.ft.

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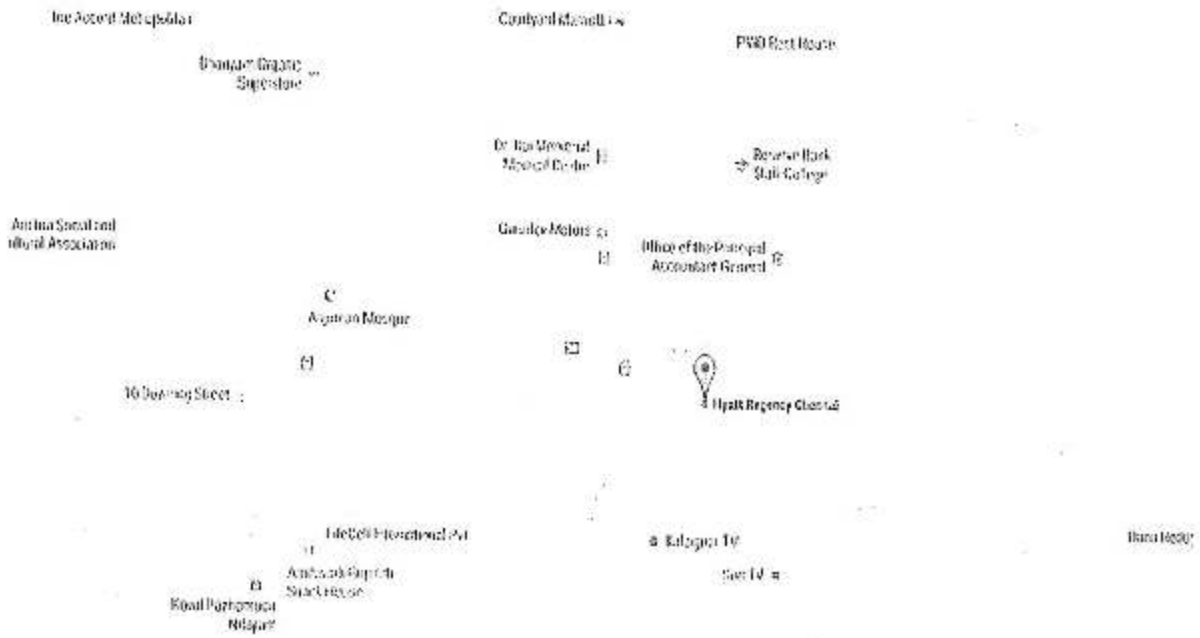
Property Location and Proximity



Distance from Major Connectivity Points	
Chennai International Airport	15 Kms
Chennai Central Railway Station	9 Kms
Koyambedu CMBT Bus Terminus	9 Kms

Location Importance:

Subject property is gains access from Anna salai which is heart line road of Chennai, Subject property is having access in 2 sides (Western side and Southern side). As per the site visit observations, main entrance for the subject property is from Anna salai). Civic, transport and social infrastructure are good with reputed schools , colleges, religious places and entertainment malls are within the closed proximity. Located in well developed locality.

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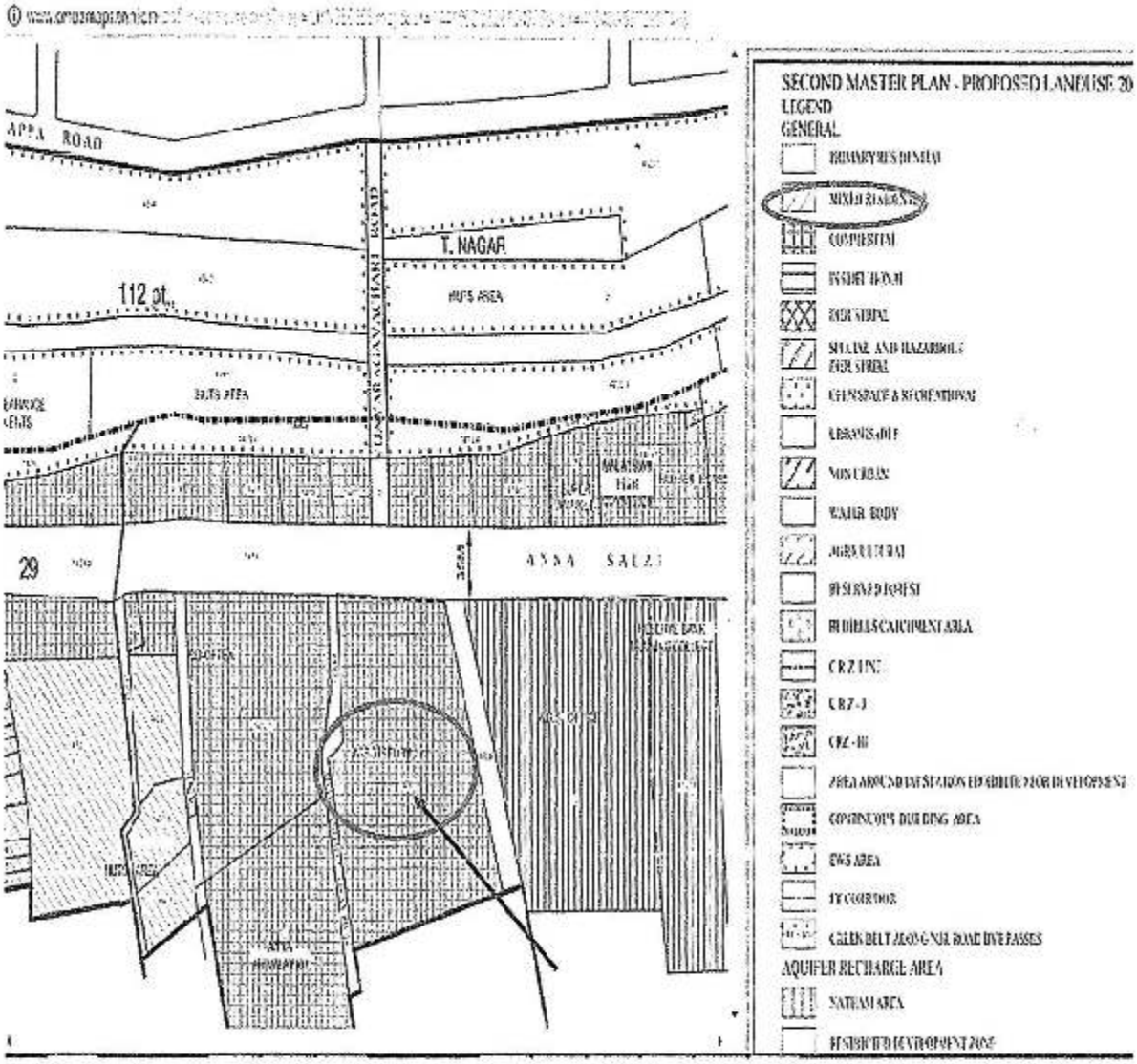
Proposed Land use map of CMDA



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Building Approval Details as per the completion Certificate

Planning Permit Issued by	Member Secretary, MMDA
Permit No	C/PP/MSB/30A to N/95
Completion Certificate Issued by	Member Secretary, CMDA
Completion Certificate No	C.C.No.EC/South/105/2011
Completion Certificate issued date	25/08/2011

Built up Area Statement As per the Deed of Transfer

Floor	Built up Area
Basement II	53028.25
basement I	51581.15
Ground	72252.14
First	38993.63
Second	16594.38
Third	1103.08
Fourth	78453.98
Fifth	33013
Sixth	34063
Seventh to Fifteenth	240078.78
Service Cores 1 and 2	4113.32
Head Room	8226.63
	631501

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Opinion on property value

Under Land and Building Method

Derived Value of Land as per Published/Quoted prices for land (Rs.)			32371,83,208
Extent of the Building as per the Deed of Transfer (Sq.ft)		631502	
Estimated Cost of new construction (Rs.)		3500	2210256545
Depreciation % @ 1.5% per Yr for 10 yrs		15%	331538482
Building cost after Depreciation (Rs.)		2975	
Estimated value of the Building (Rs.)			18787,18,063
Assumed Interiors decoration cost of 45% on Depreciated Construction Value (Rs.)		1339	845423128.5
Estimated Value of the Land and Building (Rs.)			59613,24,400

Even though the land is conveyed as UDS, the above valuation is arrived under Land and Building method since the nature of the structure is Individual. Also the 3/4 th of land is owned by the client. The valuation is done based on the realistic market value. The above valuation excludes the art-works that are present in the hotel premises.

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Calculation showing the derived market value of land using the Adjusted Comparable method is given below

Valuation of Land - Sale Comparable method	Subject property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	Teynampet	Near Gemini Flyover	Cenatoph road	Near Centoph Road Junction	Mount Road, Near Vanavil
Distance from Subject property	Na	About 800 Mts	Within 1.25 kms	Within 1 Kms	350 mts
Time since Sale	Na	About 1.5 yrs	About 1.2 yrs	Available for sale	Available for sale
Transaction Nature	Na	Sale	Sale	Known Quoted Price	Known Quoted Price
Plot Size	Around 56 Grounds	Around 10.9 Grounds	18 Grounds	Around 3.25 Grounds	Around 5 Grounds
Frontage	Approx 190 Ft	About 130 Ft	Approx 150 Ft	Approx 30 Ft	About 75 Ft
Property Description	MSB	land and MSB	Vacant Land	Vacant Land	Land and Old Building
Shape of Land	Irregular	Irregular	Almost regular	Irregular	Almost regular
Locality	Developed	Developed	Developed	Developed	Developed
Best Use	Commercial	Commercial - Income yielding	Commercial	Commercial	Commercial
Published & Quoted /Sale price	Na	6.25 Crs per Ground	6.6 Crs per Ground	4.5 Crs per Ground	7.5 Crs per Ground
Rate per Sq.ft (Rs.)	Na	27402	27500	31000	31250
Adjustments					
Parameters for Comparison					
Physical Attributes (Size, Frontage & Topography)	25%	-15%	-20%	-15%	-25%
Land Use & Developmental Potential	25%	-8%	-10%	5%	-5%
Connectivity, Accessibility & Infrastructure	25%	0%	5%	0%	0%
Location & Neighbourhood	25%	0%	5%	0%	0%
Effective (Weighted Average) discount/premium adjustment		-23%	-20%	-10%	-30%
Adjusted Land Rate of comparables (Rs.)		21237	22000	27900	21875
Time Adjustment					
Average change in Land value from the point of transaction (% per annum)		5%	5%	5%	5%
Material date of Valuation	16-May-16				
Time Factor (Yrs)		1.4	1.1	0	0
Time Adjusted rate (Rs.)		22723	23210	27900	21875
Average Rate per Sq.Ft (Rs.)					23,927
Land extent (Sq.ft)					1,35,294
Derived Value of land (Rs.)					32371,83,209
Govt Guideline value @ Rs.19,000/- per Sq.ft (Rs.)					25705,86,000

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The conclusion on report

Physical site inspection and Physical survey

- The road access to the subject project exists in two side boundaries.
- The shape of land is irregular.
- Main Entrance for the subject property is through Anna Salai (Western Boundary).

List of approvals, Copy of approvals and Area statement

- Completion certificate for the building is produced for the subject property .
- The land falls under Commercial Zone.
- Subject project does not require NOC from CRZ .
- Total Built up area of the building as per the deed of transfer is 631501.87 Sq.ft.

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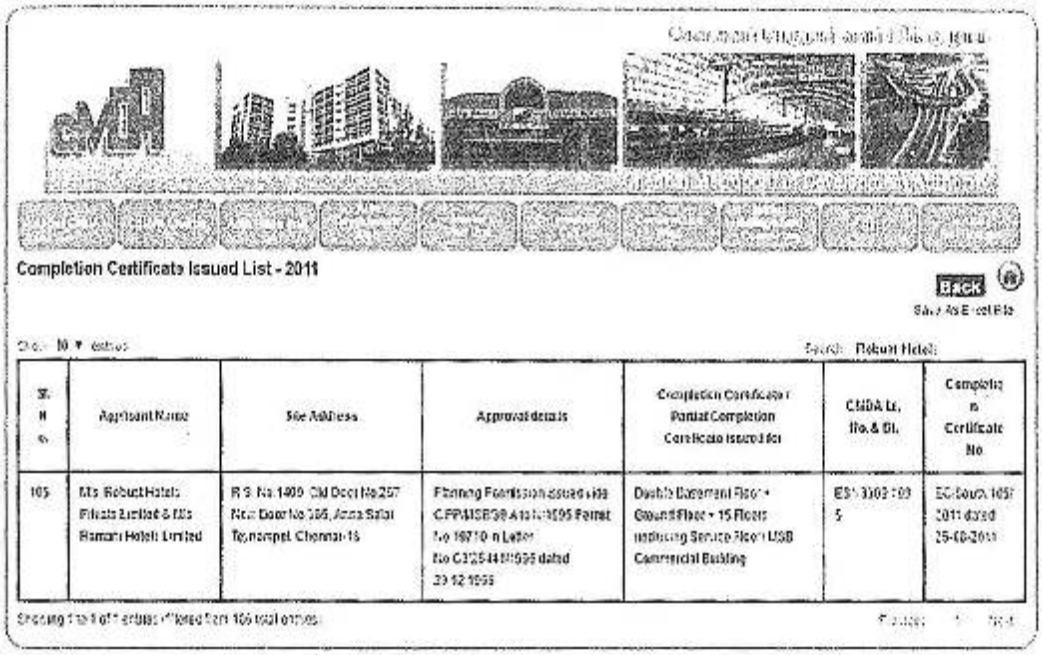
Completion Certificate details as per CMDA website

www.cmdachennai.gov.in



Completion Certificate Issued List - 2011

Back

Save As Excel File

Show 10 entries

Search: Robust Hotels

Sl. No.	Applicant Name	Site Address	Approval details	Completion Certificate / Partial Completion Certificate issued for	CMDA Lr. No. & Dt.	Completion Certificate No
105	M/s Robust Hotels Private Limited & M/s Ramani Hotels Limited	R.S. No.1409 Old Door No.257 New Door No.386, Anna Salai Teynampet, Chennai-18	Planning Permission issued vide C.PPM/SBSB A to N/1595 Permit No 16710 in Letter No C3/2544/1595 dated 29.12.1995	Double Basement Floor + Ground Floor + 15 Floors including Service Floor USB Commercial Building	ES/ 3309 109 5	EC/South 105/ 2011 dated 25-08-2011

Showing 1 to 1 of 1 entries (filtered from 105 total entries)

Previous 1 Next

Govt. Guideline rates as per Tnreginet.net

www.tnreginet.net

பதிவுத்துறை
REGISTRATION DEPARTMENT

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Guideline Value Period From 01-04-2012

Choose Zone

Chennai

Coimbatore

Cuddalore

Madurai

Salem

Thanjavur

Thirunelveli

Trichy

Vellore

Zone SRO Village Revenue District Name Taluk Name

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

1 2 3 4 5 6 7 8 9 Last All Streets

Lent/Jet matching with the string 'Anna Salai'

STREET NAME	GUIDELINE VALUE	GUIDELINE VALUE IN METRICS	CLASSIFICATION
Anna Salai (Nandanam to Tennis Membalam)	19000 Sqft	204320 Sq.Mt	Commercial Special Type - 1

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Machinery Value

S.NO	DESCRIPTION	AGE in YRS	R.LIFE in YRS	PURCHASE VALUE in Rs.	ESTIMATED. VALUE in Rs.
1	AV &Tel	4	6	343,07,008	205,84,205
2	Boiler	4	11	356,99,936	261,79,953
3	Building Automation	4	6	458,36,087	275,01,652
4	computers(H)	4	1	171,23,279	34,24,656
5	Electricals	4	6	3184,78,139	1910,86,883
6	Elevators	4	6	851,30,513	510,78,308
7	Fire fighting equipment	4	11	276,42,995	202,71,530
8	Generators	4	11	143,48,891	105,22,520
9	HVAC	4	11	2267,68,201	1662,96,681
10	Kitchen Equipments	4	11	1229,66,765	901,75,628
11	Laundry Equipment	4	11	48,53,924	35,59,544
12	Less than Rs.5000/=	4	11	403,67,727	296,03,000
13	Sanitary & Plumbing	4	11	1377,92,080	1010,47,525
14	SPA	4	11	89,38,330	65,54,775
	Total			11202,53,875	7478,86,860

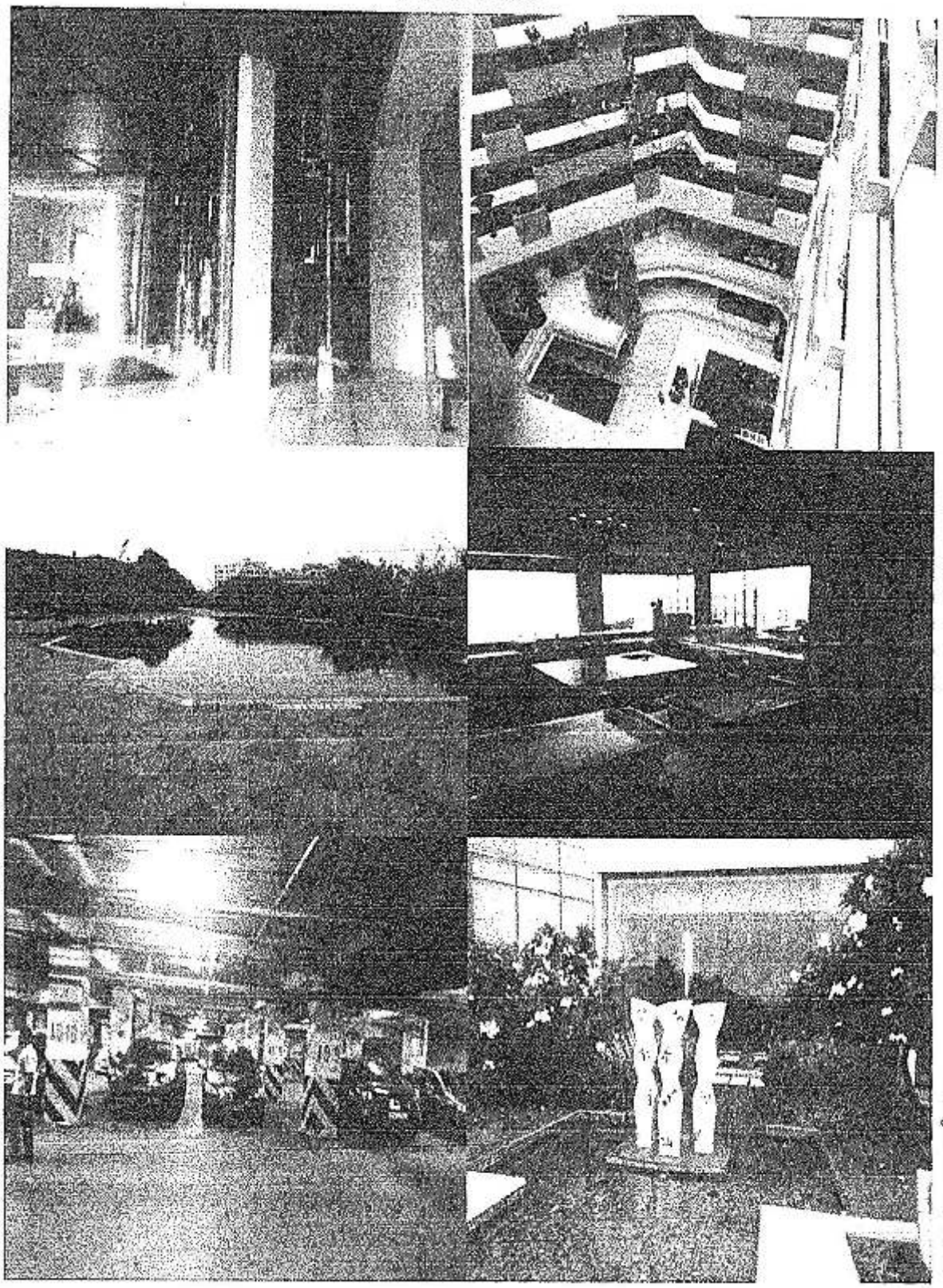
The above valuation excludes the Vehicles and intangible assets of the company.

For SREENIDHI VALUATION CONSULTANCY SERVICES

Authorised Signatory

Privileged and Confidential

Site Pictures



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Annexure "ES-5"

D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

To,
Board of Directors
Asian Hotels (East) Limited
Hyatt Regency Kolkata
JA-1, Sector-3 Salt Lake City
Kolkata-700098

To,
Board of Directors
Robust Hotels Private Limited
365, Anna Salai Teynampet
Chennai- 600018

Subject: Fairness Opinion on Share Entitlement Ratio for the purpose of the Proposed Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders for Demerger of Investment Division (Demerged Undertaking) of GJS Hotels Limited to Asian Hotels (East) Limited and Reorganisation of Share Capital and Debentures of Robust Hotels Private Limited

Dear Sir/s,

This report is issued in connection with the proposed Scheme of Arrangement between GJS Hotels Limited ('GJSHL'), Asian Hotels (East) Limited ('AHEL') and Robust Hotels Private Limited ('RHPL') and their respective shareholders pursuant to the provisions of Section 230 of the Companies Act 2013 (the '**Scheme**' or the '**Scheme of Arrangement**').

We, M/s D & A Financial Services (P) Ltd, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484, have been engaged by you to give our fairness opinion on the share entitlement ratio recommended by M/s NSDP & Co., Chartered Accountants, having its office at Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110065 vide their report dated 2nd February 2017.

The Scheme is subject, inter alia, to (i) approval of the Hon'ble National Company Law Tribunal ("NCLT") of respective jurisdiction and (ii) other statutory approval(s) as may be required in this regard.

D & A FINANCIAL SERVICES PRIVATE LIMITED NEW DELHI

1

H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065, Phone:+91 11 26472567, 26419079
Fax:+91 11 26219491, E-mail:dafspl@gmail.com, investors@dnafinserv.com contact@dnafinserv.com, Website:www.dnafinserv.com
Mumbai. Ahmedabad **CIN : U74899DL1981PTC012709**

1. **Reason and Rationale of the Draft Scheme of Arrangement**

i. AHEL is a well-established hospitality company engaged in the business of running the 'Hyatt Regency' hotel in Salt Lake in Kolkata. It also has substantial interests in the hospitality business through its subsidiaries, being GJSHL which is a direct and wholly owned (100%) subsidiary of AHEL and RHPL which is a subsidiary of GJSHL. While RHPL is running the 'Hyatt Regency' hotel in Anna Salai in Chennai, GJSHL is pursuing a project for establishing a hotel in Bhubaneshwar, Odisha. The operations of GJSHL have been funded primarily by AHEL by a combination of equity capital and loan. The operations of RHPL have also been funded primarily by AHEL and GJSHL by a combination of equity and preference capital and debt. While AHEL has been in the business for several years, the business of GJSHL and RHPL is relatively new. The said Companies have been looking at suitable proposals for restructuring for simplifying and rationalizing their holding and financial structure and pursuing their business more beneficially.

ii. In the circumstances, it is considered desirable and expedient to (1) reconstruct GJSHL and AHEL by demerging the Demerged Undertaking of GJSHL (including investment in RHPL) to AHEL and (2) reorganizing and converting the Preference Share Capital and Debentures of RHPL in the manner and on the terms and conditions stated in this Scheme of Arrangement.

iii. The Scheme will simplify the holding structure of the subsidiaries of AHEL and result in RHPL also becoming a direct subsidiary of AHEL consequent to transfer of the investment of GJSHL in RHPL to AHEL as part of the demerger. 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.

iv. 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.

v. 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.

vi. The Scheme will have beneficial results for the said Companies, their shareholders and all concerned.

D AND A FINANCIAL SERVICES PRIVATE LIMITED NEW DELHI

2. Scope and Purpose of the Opinion

The Company has appointed M/s NSBP & Co., Chartered Accountants ('valuer'), to recommend a fair and equitable share entitlement ratio for reorganisation and conversion of the 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured Redeemable NCD") of Robust Hotels Private Limited ("RHPL" or "Robust Hotels") into Equity Shares of RHPL at fair value.

The management of the AHEL has engaged has engaged M/s D & A Financial Services (P) Ltd to submit its the Fairness Opinion to the Board of Directors of AHEL on the fairness of Share Entitlement Ratio recommended by the valuer. Further this report has been issued as per the requirement of SEBI circular no CIR/CFD/CMD.16/2015 dated 30th November, 2015.

The purpose of the opinion is to safeguard the interest of the shareholders and that of the companies involved in the Scheme and this opinion shall be made available to the shareholders of the relevant Companies at the time of their meeting to pass the necessary resolution for the Scheme and to any other relevant authority.

Disclaimer: We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by management of AHEL for the purpose of this Opinion. We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents of the Company other than those stated herein. We have not assumed any obligation to conduct, nor have we carried out any independent physical inspection or title verification of the property, investments etc. interests of AHEL, GJSHL and RHPL and accept no responsibility therefore.

We have not raviewed any internal management information statements or any non-public reports and instead with your consent we have relied upon information that was publicly available or provided or otherwise made available to us by AHEL for the purpose of this valuation. We are not experts in the evaluation of litigation or other actual or threatened claims.

3. Sources of Information

For arriving at the opinion set forth below, we have:

1. Perused the Draft Scheme of Arrangement;

2. Valuation Report recommending Share entitlement ratio dated 2nd February 2017 given by M/s NSBP & Co. having its office at Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi-110065.

D & A FINANCIAL SERVICES PRIVATE LIMITED NEW DELHI

4. **Approach followed for valuation.**

The value of the 12% Cumulative Redeemable Preference Shares and 0.1% Unsecured Non-Convertible Debentures of RHPL has been arrived at by M/s NSBP & Co, Chartered Accountants by applying Discounted Cash Flow Method while the value of hotel business of RHPL has been ascertained by them by using average of Discounted Cash Flow method and Net Asset Value method.

The valuations and the share entitlement ratio recommended on the basis of the same have been arrived at by the consideration of the aforesaid commonly used and accepted methods which are appropriate.

M/s NSBP & Co, Chartered Accountants, while arriving at the share entitlement ratio has considered the valuation report of valuation of Land, Building, Furniture/ Interior Decorations (excluding Arts), and Machinery of RHPL ("Specified Assets") done by M/s Sreenidhi Valuation Consultancy Services, Asset Valuer, having its office at No.3, Vathiyar Thottam, 1st Street, Rangarajapuram, Kodambakkam, Chennai 600 024

5. Conclusion

Based on our examination of the draft Scheme of Arrangement and the Valuation Report of M/s NSBP & Co. dated 02 February, 2017, we are of the opinion that the proposed share entitlement ratio as recommended by the valuer for conversion of 12% Cumulative Redeemable Preference Shares ("CRPS") and 0.1% Unsecured Redeemable Non-Convertible Debentures ("Unsecured NCD") of Robust Hotels Private Limited, as under pursuant to proposed scheme of arrangements is fair.

A. Fair value of Equity Share of RHPL: Rs.20/- per share.

B. Fair Value of Preference Shares and Debentures and Recommended fair Share Entitlement Ratio:

Particulars	Value (In Rs. Crores)	Number of units	Value Per unit	Equity Share Entitlement (per 100 units)
12% Cumulative Redeemable Preference Shares of RHPL	64.10	43,00,000	149.06	745
0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL	100.62	2,05,00,000	49.09	245

Thanking You

For **D & A Financial Services (P) Ltd**

(Priya Ranjan)
Vice President

Date: 6th February 2017
Place: New Delhi

Annexure "ES-6"

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

10th May, 2017

The Manager **Listing Department** **BSE Limited** **Phiroz Jeejeebhoy 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** **Fax: (022) 2659 8237** **Type of Security: Equity shares** **NSE Symbol : AHLEAST**

Dear Sir,

Sub: Submission of Report on Complaints

Re: Scheme of Arrangement

Please find attached 'Report on Complaints' pursuant to Annexure III of Para 6 of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 for the Scheme of Arrangement filed with you.

This is for your kind perusal and record.

Thanking you.

Yours truly,

For Asian Hotels (East) Limited

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

Encl.: as above

OWNER OF
HYATT REGENCY
KOLKATA

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 1013 Fax : 033 2335 8246/2335 1236 www.ahlcast.com
CIN: L15122WB2007PLC162762

REPORT ON COMPLAINTS

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
Not Applicable			

For Asian Hotels (East) Limited

Saumen Chatterjee
Chief Legal Officer &
Company Secretary

Asian Hotels (East) Limited Kolkata

10th May, 2017
Kolkata

OWNER OF
HYATT REGENCY™
KOLKATA

Annexure "ES-7"

BSE
EXPERIENCE THE NEW

DCS/AMAL/SD/R37/792/2017-18 **May 18, 2017**

The Company Secretary
ASIAN HOTELS (EAST) LTD.
Hyatt Regency Kolkata, JA-1,
Sector - III, Salt Lake City,
Kolkata, West Bengal- 700098

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of GJS Hotels Ltd, Robust Hotels Pvt Ltd and Asian Hotels (East) Ltd and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Arrangement involving amalgamation of GJS Hotels Ltd, Robust Hotels Pvt Ltd and Asian Hotels (East) Ltd and their respective shareholders and creditors filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated May 18, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the webeites of the listed company and the stock exchanges."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

..... 2/-

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-a-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50
Stock of the nation

Ref: NSE/LIST/10955

May 23, 2017

The Company Secretary
Asian Hotels (East) Limited
Hyatt Regency Kolkata
JA-1, Salt Lake City
Kolkata – 700 098

Kind Attn.: Mr. Saumen Chattopadhyay

Dear Sir,

Sub: Observation Letter for Draft Scheme of Arrangement among GJS Hotels limited, Robust Hotels Private Limited and Asian Hotels (East) Limited

We are in receipt of the draft scheme of arrangement between GJS Hotels limited, Robust Hotels Private Limited and Asian Hotels (East) Limited and their respective shareholders and creditors pursuant to Sections 230-232 of the Companies Act, 2013, filed by Asian Hotels (East) Limited vide application dated March 10, 2017.

Based on our letter reference no Ref: NSE/LIST/5788 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI vide letter dated May 18, 2017, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*

b. *The Company shall duly comply with various provisions of the Circulars.*

c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 23, 2017, within which the scheme shall be submitted to NCLT. Further, pursuant to the above SEBI circular, upon sanction of the Scheme by the NCLT, you shall submit to NSE the following:

a. Copy of Scheme as approved by the NCLT;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
d. Status of compliance with the Observation Letter/s of the stock exchanges
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
f. Report on Complaints as per Annexure III of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,
For **National Stock Exchange of India Ltd.**

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed
Signer: Divya Babu Poojari
Date: Tue, May 23, 2017 16:38:05 IST
Location: NSE

Regd. Office: Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051, India
CIN: U67120MH1992PLC069769 Tel: +91 22 26598235/36, 26598346, 26598459/26598458 Web site: www.nseindia.com

IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH
COMPANY APPLICATION NO. 516 OF 2017

In the Matter of the Companies Act, 2013 - Section 230(1) read with Section 232(1)

And

In the Matter of :

GJS Hotels Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN U55101WB2002PLC160608; PAN AACCG7683A)

And

Asian Hotels (East) Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act having its registered office at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 in the State of West Bengal. (CIN L15122WB2007PLC162762; PAN AACCV4634N)

1. GJS Hotels Limited
2. Asian Hotels (East) Limited

. . . . . Applicants

FORM OF PROXY FOR MEETING OF UNSECURED CREDITORS

Name of the unsecured creditor(s)	
Address	
E-mail Id	

I/We being the unsecured creditor(s) of Asian Hotels (East) Limited, hereby appoint:

1) Name: _____ Email Id: _____

Address: _____

Signature: _____, or failing him

2) Name: _____ Email Id: _____

Address: _____

Signature: _____, or failing him

3) Name: _____ Email Id: _____

Address: _____

Signature: _____

as my/our proxy to act for me/us at the meeting of the Unsecured Creditors of Asian Hotels (East) Limited to be held on Wednesday, 21st February, 2018 at 1:00 p.m. at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 for the purpose of considering and if thought fit,

approving with or without modification, the proposed Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited, and their respective shareholders and at such meeting or any adjournment thereof to vote for me/us and in my/our name _____ [here, 'if for', insert 'for'; 'if against', insert 'against' and in the latter case, strike out the words below after 'Scheme of Arrangement'] the said Scheme of Arrangement either with or without modification as my/our proxy may approve.

Signed this_____ day of_____2018.

Signature of the unsecured creditor: …….....

Signature of the proxy holder(s): …….....

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. This form of proxy can be obtained free of charge from the Company at its registered office address or the Office of its Advocates, M/s Khaitan & Co LLP or can be downloaded from the website of the Company viz. www.ahleast.com
3. A Proxy need not be a unsecured creditor of the Company.
4. All alterations made in the Form of Proxy should be initialled by the Unsecured Creditor.
5. In case of multiple proxies, the Proxy later in the time shall be accepted.

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762
Regd. Office: Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098
Phone No.: (033)25171009 Fax: (033)23358246
Website: www.ahleast.com E-mail: investorrelations@ahleast.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I hereby record my presence at the meeting of the Unsecured Creditors convened on Wednesday, 21st February, 2018, at Hyatt Regency Kolkata, JA-1, Sector-III, Salt Lake City, Kolkata 700 098 at 1:00 P.M.pursuant to the order of the Hon'ble National Company Law Tribunal, Kolkata Bench.

Name and Address of the Unsecured Creditor :

_____

_____

_____

(*If represented by Authorised Representative, details of the same*)

Name of the proxy holder/
Authorised representative : _____

I further declare that above particulars are true and correct to the best of my knowledge.

Signature of the Unsecured creditor/Proxy/ Authorised Representative:_____

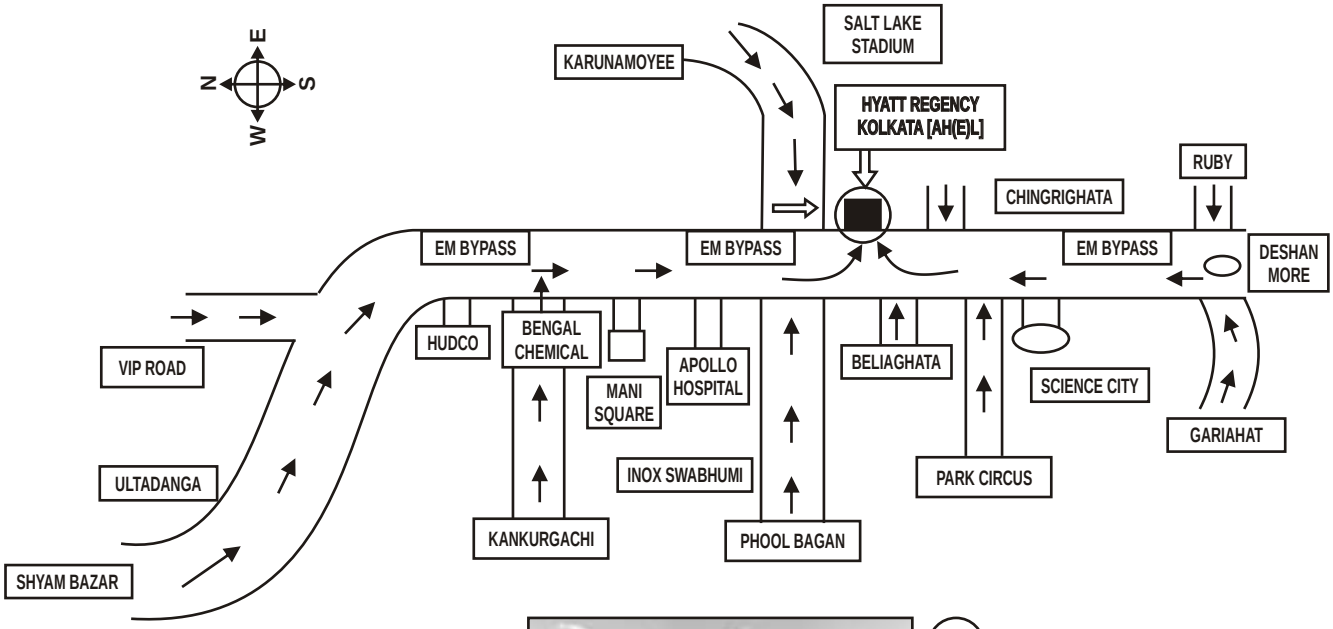
Place :

Date :

Important:

1. The unsecured creditor, proxy holder or the authorised representative attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled and signed.
2. The unsecured creditor, proxy holder or the authorised representative are requested to bring their copy of notice for reference at the meeting.
3. Unsecured creditors are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons. The Meeting is for unsecured creditors or their proxies only. Please avoid being accompanied by non-unsecured creditor/children.

Road map of the venue of Tribunal Convened Meeting of Asian Hotels (East) Limited [AH(E)L] at Hyatt Regency Kolkata



ASIAN HOTELS (EAST) LIMITED [AH(E)L]
HYATT REGENCY KOLKATA
JA-1, SEC-III, SALT LAKE CITY
KOLKATA - 700 098

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