

ASIAN HOTELS (EAST) LIMITED

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

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

CIN: L15122WB2007PLC162762

18th July, 2018

The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Tel: (022 2272 8013) Fax: (022 2272 3121)	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 Scrip Code : 533227	Type of Security: Equity shares NSE Symbol : AHLEAST

Madam/ Sir,

Sub: Updates on Scheme of Arrangement

Pursuant to the NCLT, Chennai Bench order dated 17th May, 2018 as modified by an order dated 16th July, 2018, a meeting of unsecured creditors of Robust Hotels Private Limited (RHPL), Chennai has been directed to be convened on Tuesday, 21st August, 2018 at 12:00 Noon at Chennai for approval of the Scheme of Arrangement between GJS Hotels Limited, RHPL and the Company and their respective shareholders under Sections 230-232 of the Companies Act, 2013 (Scheme).

Please find enclosed the notice convening the above meeting and the same is also available on the website of the Company www.ahleast.com.

This may be treated as a disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We request you to kindly take this on record.

Thanking You.

Yours truly,
For Asian Hotels (East) Limited

Saumen Chatterjee
Saumen Chatterjee
Chief Legal Officer &
Company Secretary



Encl. as above

OWNER OF



HYATT
REGENCY™
KOLKATA

ROBUST HOTELS PRIVATE LIMITED**Registered Office:** 365, Anna Salai, Teynampet, Chennai 600 018

Tel: 044 – 6100 1234; Fax: 044 - 2433 8320

Email : thanika@sarahotels.com; Website: www.ahleast.com

CIN: U55101TN2007PTC062085**NOTICE OF MEETING OF UNSECURED CREDITORS****(CONVENED PURSUANT TO ORDER DATED 17th MAY, 2018 AS MODIFIED BY AN ORDER DATED 16th JULY, 2018 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH)**

MEETING	
Day	Tuesday
Date	21 st August, 2018
Time	12:00 Noon
Venue	Hyatt Regency Chennai, 365, Anna Salai, Teynampet, Chennai 600 018

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**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
COMPANY APPLICATION NO.40 OF 2017**

In the matter of Section 230 of the Companies Act, 2013

And

In the matter of Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders

Robust Hotels Private Limited,
a Company incorporated under the Companies
Act, 1956, having its Registered Office at 365,
Anna Salai, Teynampet, Chennai 600 018
represented by Mr. Thanikachalam Tenampet
Natarajan, Company Secretary

.....Applicant

NOTICE CONVENING MEETING OF UNSECURED CREDITORS

**To,
The Unsecured Creditors of
Robust Hotels Private Limited**

NOTICE is hereby given that by an order dated 17th May, 2018 as modified by an order dated 16th July, 2018, the Hon'ble National Company Law Tribunal, Chennai Bench ("Tribunal") has directed a meeting of the Unsecured Creditors of Robust Hotels Private Limited, the Applicant Company abovenamed ("RHPL"), 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 (hereinafter referred to as "GJSHL"), Asian Hotels (East) Limited (hereinafter referred to as "AHEL") and the said 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 RHPL will be held at the registered office of the Applicant Company at 365, Anna Salai, Teynampet, Chennai 600 018 on Tuesday, the 21st day of August, 2018 at 12:00 Noon 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) 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.40/2018 filed by Robust Hotels Private Limited before the Hon'ble National Company Law Tribunal, Chennai Bench ("Tribunal"), be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of Robust Hotels Private Limited (hereinafter referred to as the "Board" which term shall be deemed to mean and include 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 RHPL, 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 RHPL, 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 RHPL not later than 48 (forty eight) hours before the time for holding the meeting.

The value of the unsecured creditors shall be considered as on 30th June, 2018 for the purpose of the meeting of the said creditors of RHPL in terms of the said order of the Hon'ble Tribunal. This notice is being dispatched accordingly to all the unsecured creditors of RHPL whose names are appearing in the records of RHPL as on 30th June, 2018.

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

A copy each of the said Scheme of Arrangement; form of proxy; attendance slip; and the Explanatory Statement under Section 230(3) of the Companies Act, 2013 along with all annexures thereto are enclosed herewith. A copy of this notice and the accompanying documents are also placed on the website of the RHPL's Holding Company viz. www.ahleast.com.

The Hon'ble Tribunal has appointed Mr. Soumya Saha, Director, as the Chairperson of the said meeting. The abovementioned Scheme of Arrangement, if approved at the said meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

Dated this 17 day of July, 2018.

Sd/-
Soumya Saha
Chairperson appointed for
the Meeting

Drawn on behalf of Applicant by
Sd/-
Pavitra Venkateswaran
Advocate for the Applicant
J&M Legal
No.5, 2nd Floor, 8th Street,
Dr. R. K. Salai, Chennai – 600 004

Notes:-

- 1) Only Unsecured Creditors of RHPL may attend (either in person or by proxy or by authorised representative) at the said meeting of the Unsecured Creditors of RHPL ("**Meeting**"). The authorised representative of a body corporate which is a registered Unsecured Creditor of RHPL 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 RHPL 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 RHPL.** The Form of Proxy duly completed should, however, be deposited at the Registered Office of RHPL 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) Voting rights shall be reckoned on the value of the Unsecured Creditors as on 30th June, 2018 being the date fixed in this regard by the Hon'ble Tribunal.
- 5) Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the Unsecured Creditors at the registered office of RHPL as mentioned in the Explanatory Statement.

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
COMPANY APPLICATION NO.40 OF 2017**

In the matter of Section 230 of the Companies Act, 2013

And

In the matter of Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders

Robust Hotels Private Limited,
a Company incorporated under the Companies
Act, 1956, having its Registered Office at 365,
Anna Salai, Teynampet, Chennai 600 018
represented by Mr. Thanikachalam Tenampet
Natarajan, Company Secretary

.....Applicant

Explanatory Statement under Section 230(3) of the Companies Act, 2013.

1. Meeting for Scheme of Arrangement

This is a Statement accompanying the Notice convening meeting of Unsecured Creditors of Robust Hotels Private Limited, being the Applicant Company abovenamed (hereinafter referred to as "RHPL") for the purpose of their considering and if thought fit, approving, with or without modification, the proposed Scheme of Arrangement between GJS Hotels Limited (hereinafter referred to as "GJSHL"), Asian Hotels (East) Limited (hereinafter referred to as "AHEL") and the said 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 17th May, 2018 as modified by an order dated 16th July, 2018, passed by the Hon'ble National Company Law Tribunal, Chennai Bench ("**Tribunal**") in Company Application No. (CAA) No.40 of 2017, a meeting of the Unsecured Creditors of RHPL 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 365, Anna Salai, Teynampet, Chennai 600 018 on Tuesday, the 21st day of August, 2018 at 12 Noon.

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 Bhubaneswar, 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 Company (RHPL)

- i. The Applicant Company, 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@sarafhotels.com. RHPL is an unlisted Company. RHPL having its registered office in the State of Tamil Nadu has filed an 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, administering, 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 which is a wholly owned subsidiary of AHEL 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 financial statements of RHPL have been audited for the financial year ended on 31st March, 2018. Extracts of the balance sheet and profit and loss account of RHPL for the said financial year ended on 31st March, 2018 are included in **Annexure "ES-1"** attached hereto. RHPL has not issued any debentures. The following summary extracted from the said financial statements as at 31st March, 2018 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	1,40,07,17,569
Net Shareholders Fund (A+B)	2,94,24,55,859
C. Assets	
Non Current Assets	5,87,41,45,388
Current Assets	15,80,29,363
Total (C)	6,03,21,74,751
D. Liabilities	
Non Current Liabilities	2,37,57,44,273
Current Liabilities	71,39,74,619
Total (D)	3,08,97,18,892
Excess of Assets over Liabilities (C – D)	2,94,24,55,859

Subsequent to the date of the aforesaid financial statements, i.e., 31st March, 2018, 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	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070
2.	Arun Kumar Saraf	Non Independent Director	Western Express Highway, Santacruz (E), Mumbai – 400 055
3.	Varun Saraf	Non Independent Director	6 th 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

B. Particulars of 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, financiers, 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 financial statements of GJSHL have been audited for the financial year ended on 31st March, 2018. Extracts of the balance sheet and profit and loss account of GJSHL for the said financial year ended on 31st March, 2018 are included in **Annexure “ES-1”** attached hereto. GJSHL has not issued any debentures. The following summary extracted from the said financial statements as at 31st March, 2018 indicates the financial position of GJSHL as on the said date as follows:-

Particulars	Amount in Rupees
A. Paid up Share Capital	1,09,61,000
B. Reserves and Surplus	1,41,31,17,628
Net Shareholders Fund (A+B)	1,52,27,27,628
C. Assets	
Non Current Assets	4,75,19,78,520

Current Assets	6,44,432
Total (C)	4,75,26,22,952
D. Liabilities	
Non-Current Liabilities	0
Current Liabilities	3,22,98,95,324
Total (D)	3,22,98,95,324
Excess of Assets over Liabilities (C – D)	1,52,27,27,628

Subsequent to the date of the aforesaid unaudited financial statements, i.e., 31st March, 2018, 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	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070
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 – III Salt Lake City, Kolkata – 700 098

C. Particulars of AHEL

- i. 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 ‘Vardhaman 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). GJSHL & AHEL having their registered offices in the State of West Bengal has have filed a similar

application in relation to the said Scheme under Section 230(1) of the Companies Act, 2013 in the Hon'ble Kolkata Bench of the National Company Law Tribunal.

- 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, financiers, 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 financial statements of AHEL have been audited for the financial year ended on 31st March, 2018. Extracts of the balance sheet and profit and loss account of AHEL for the said financial year ended on 31st March, 2018 are included in **Annexure “ES-1”** attached hereto. AHEL has not issued any debentures. The following summary extracted from the said financial statements as at 31st March, 2018 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	8,91,16,30,434
Net Shareholders Fund (A+B)	9,02,69,08,404
C. Assets	
Non Current Assets	5,03,92,26,556
Current Assets	4,31,03,47,180
Total (C)	9,34,95,73,736
D. Liabilities	
Non Current Liabilities	9,01,31,482
Current Liabilities	23,25,33,850
Total (D)	32,26,65,332
Excess of Assets over Liabilities (C – D)	9,02,69,08,404

Subsequent to the date of the aforesaid financial statements, i.e., 31st March, 2018, 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 Independent Chairman	Flat D20/G Caing Mansion, 80-88 Caing Road, Hong Kong
2.	Arun Kumar Saraf	Joint Managing Director	Western Express Highway, Santacruz (E), Mumbai – 400 055

3.	Umesh Saraf	Joint Managing Director	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070
4.	Amal 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 Caing Mansion, 80-88 Caing Road, Hong Kong, Nepal
3.	Ratna Saraf	Promoter	Flat D20/G Caing Mansion, 80-88 Caing Road, Hong Kong, Nepal
4.	Umesh Saraf	Promoter	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070
5.	Arun Kumar Saraf	Promoter	Western Express Highway, Santacruz (E), Mumbai – 400 055

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 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 favor 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 Securities and Exchange Board of India (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 unsecured creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. Board approvals

- i. 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 Kumar 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

- ii. 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.

- iii. 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 .

7. **Relationship between GJSHL, AHSL and RHPL**

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

	In GJSHL	In AHSL	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 AHSL	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 AHSL while RHPL is 80.53% subsidiary of GJSHL. Thus, RHPL is also a step down subsidiary of AHSL. All the Equity and Preference Shares of RHPL are held by and between AHSL 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 Board of Directors of RHPL at its meeting 10th July, 2018. 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 RHPL, GJSHL and AHSL 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 AHSL and AHSL cannot issue any shares to itself, no shares whatsoever shall be issued by AHSL 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 RHPL, GJSHL and AHSL.

11. Amounts due to unsecured creditors

- i. The respective amounts due to unsecured creditors, as on 31st March, 2018 are as follows:-

Sl. No.	Name of Company	Amount in Rupees
1.	GJS Hotels Limited	3,22,98,82,600
2.	Asian Hotels (East) Limited	4,02,90,798
3.	Robust Hotels Private Limited	1,98,13,13,426

- ii. RHPL has a substantial excess of assets over liabilities. Further, there is no transfer or release of any assets of RHPL under the Scheme. 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. The creditors of RHPL are not adversely affected in any manner by the Scheme. On the contrary, the Scheme will inure to their benefit and is in their interest.

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 Assets 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 Accountant 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 Bankers 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	33463	0.29	33463	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)	33463	0.29	33463	0.29
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	3902027	33.85	3902027	33.85
(b)	Government	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0

		Pre Arrangement AHEL		Post Arrangement AHEL	
(e)	Any Other (specify) Bodies Corporate	3630630	31.49	3630630	31.49
	Sub-Total (A)(2)	7532657	65.34	7532657	65.34
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	7566120	65.63	7566120	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	53314	0.46	53314	0.46
(f)	Financial Institutions / Banks	639134	5.54	639134	5.54
(g)	Insurance Companies	603576	5.24	603576	5.24
(h)	Provident Funds / Pension Funds	0	0	0	0
(i)	Any Other (specify) FCB	38803	0.34	38803	0.34
	Foreign Institutional Investors	0	0	0	0
	Sub Total (B)(1)	1296449	11.24	1296449	11.24
(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				

		Pre Arrangement AHEL		Post Arrangement AHEL	
	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	1134161	9.84	1134161	9.84
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	254683	2.21	254683	2.21
(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	1023446	8.88	1023446	8.88
	Clearing Member	6363	0.06	6363	0.06
	Non Resident Individual	111830	0.97	111830	0.97
	Non Resident Indian Non Repatriable	22192	0.19	22192	0.19
	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	73498	0.64	73498	0.64
	Sub Total (B)(3)	2665228	23.12	2665228	23.12
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	3961677	34.37	3961677	34.37
(C)	Shareholding of Non Promoter - Non Public shareholder				
(1)	Custodian / DR Holder	0	0	0	0

		Pre Arrangement AHEL		Post Arrangement AHEL	
(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)	11527797	100	11527797	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.

- i. 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 AHEL consequent to the Scheme. 1,07,30,978 existing Equity Shares of Rs.10/- each of GJSHL will stand cancelled consequent to the demerger in terms of the Scheme. The post arrangement capital structure of RHPL will be as follows:-

Robust Hotels Private Limited				
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 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. In terms of the order of the Hon’ble NCT, Kolkata Bench dated 21st December, 2017 meetings of equity shareholders and creditors of GJSHL were dispensed with and separate meetings of the Equity Shareholders and Unsecured Creditors of AHEL were held on 21st February, 2018. The resolutions approving the Scheme were duly approved by requisite majority by the said meetings.
- ii. Further, the Applicant 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 17th May, 2018 as modified by an order dated 16th July, 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 RHPL 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. Certified copies of the order dated 17th May, 2018 and order dated 16th July, 2018 modifying the same as passed by the National Company Law Tribunal, Chennai Bench in Company Application (CAA) No.40 of 2017;
- b. Memoranda and Articles of Association of GJSHL, AHPL and RHPL;
- c. Annual Financial Statements of GJSHL, AHPL and RHPL for the financial years ended 31st March, 2017 and 31st March, 2018;
- d. Certificates of the Auditors of the Applicant confirming the accounting treatment under the Scheme;
- e. Register of Shareholding of Directors' and Key Managerial Personnel of the Applicant and its relatives; and
- f. All other documents submitted displayed on the AHPL's website in terms of the SEBI Circular dated 30th September, 2016, including Report of the Audit Committee of AHPL.

Dated this 17 day of July, 2018

Sd/-
Soumya Saha
Chairperson appointed for
the Meeting

Drawn on behalf of Applicant by

Sd/-
Pavitra Venkateswaran
Advocate for the Applicant
J&M Legal
No.5, 2nd Floor, 8th Street,
Dr. R. K. Salai, Chennai – 600 004

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)

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:

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

ii. AHEL:

<u>Authorised Share Capital:</u>	<u>(Rs.)</u>
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/-
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iii. RHPL:

<u>Authorised Share Capital:</u>	<u>(Rs.)</u>
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9,50,00,000 Equity Shares of Rs.10/- each	95,00,00,000/-
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43,00,000 Redeemable Preference Shares of Rs.100/- each	43,00,00,000/-
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1,40,00,000 Preference Shares of Rs.10/- each	14,00,00,000/-
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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/-
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43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- each (" CRPS ")	43,00,00,000/-
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89,64,623 1% Compulsorily Convertible Preference Shares of Rs.10/- each (" CCPS ")	8,96,46,230/-
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145,90,73,920/-

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

	In GJSHL Equity Shares	In AHSL Equity Shares	In RHPL		
			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 AHSL	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 AHSL while RHPL is a 68.06% subsidiary of GJSHL. Thus RHPL is also a step down subsidiary of AHSL. All the Equity and Preference Shares of RHPL are held by and between AHSL and GJSHL, as aforesaid.

- 2.3 In addition to the above, AHSL 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 AHSL 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 AHSL)

4. Transfer of Demerged Undertaking of GJSHL:

- 4.1 With effect from the Appointed Date, the Demerged Undertaking of GJSHL shall stand demerged to AHSL. 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 AHSL, 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 AHSL 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 AHSL.
- 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 AHSL 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 AHSL. 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 AHSL:

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 AHSL.
- 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 AHSL.

- 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
<u>Current Assets, Loans and Advances</u>	
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 AHIL	373,14,18,600
Trade payables	-
Other Current Liabilities	26,212
Short-term provisions	-
<u>Non-Current Liabilities</u>	
Long Term provisions	14,452
Total Liabilities	3,73,14,59,264
Net Asset (Credit)	2,32,88,33,185

ROBUST HOTELS PRIVATE LIMITED
BALANCE SHEET AS AT 31st March, 2018

(Amount in Rs.)

	Note No.	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non - current Assets			
(a) Property, Plant and Equipment	3	5,62,60,87,065	5,85,90,46,451
(b) Other Intangible Assets	4	46,02,702	91,93,726
(c) Financial Assets			
(i) Investments	5	3,07,77,880	4,13,94,844
(ii) Other Financial Assets	6	2,53,63,063	2,53,03,003
(d) Non Current Tax Assets	7	3,54,12,864	3,02,06,710
(e) Other Non Current Assets	8	15,19,01,814	-
		<u>5,87,41,45,388</u>	<u>5,96,51,44,734</u>
Current Assets			
(a) Inventories	9	1,92,44,424	81,71,634
(b) Financial Assets			
(i) Trade Receivables	10	8,71,66,754	5,50,66,965
(ii) Cash and Cash Equivalents	11	73,59,542	1,42,55,449
(iii) Loans	12	58,400	51,903
(iv) Other Financial Assets	13	7,08,859	7,35,402
(c) Current Tax Assets	14	1,10,74,361	50,91,458
(d) Other Current Assets	15	3,24,17,023	2,95,92,916
		<u>15,80,29,363</u>	<u>11,29,65,727</u>
Total Assets		<u>6,03,21,74,751</u>	<u>6,07,81,10,461</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	1,54,17,38,290	1,54,17,38,290
(b) Other Equity	17	1,40,07,17,569	1,68,10,51,706
Total Equity		<u>2,94,24,55,859</u>	<u>3,22,27,89,996</u>
Liabilities			
Non - current Liabilities			
(a) Financial Liabilities			
Borrowings	18	2,36,77,65,105	2,38,88,18,845
(b) Provisions	19	79,79,168	82,25,888
Total non-current liabilities		<u>2,37,57,44,273</u>	<u>2,39,70,44,733</u>
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	26,83,77,706	4,04,49,886
(ii) Trade Payables	21	20,33,92,093	17,51,69,238
(iii) Other Financial Liabilities	22	17,82,71,316	19,55,97,939
(b) Provisions	23	4,31,405	69,672
(c) Other Current Liabilities	24	6,35,02,099	4,69,88,997
Total current liabilities		<u>71,39,74,619</u>	<u>45,82,75,732</u>
Total Equity and Liabilities		<u>6,03,21,74,751</u>	<u>6,07,81,10,461</u>

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For P LUNAWAT & ASSOCIATES

Chartered Accountants

Firm Registration No.: 328946E

(Pankaj Lunawat)

Proprietor

Membership No.: 067104

Place: Chennai

Date: 25th April 2018



FOR AND ON BEHALF OF THE BOARD

Director

Director

N. Muthukrishnan

Chief Financial Officer

Vice President &
Company Secretary

ROBUST HOTELS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

Amount in Rs.

	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
Income			
(a) Revenue from Operations	25	87,48,33,800	96,89,50,995
(b) Other Income	26	94,59,354	1,84,46,491
Total		88,42,93,154	98,73,97,486
Expenditure			
(a) Consumption of Provisions, Beverages, Smokes & Others	27	10,15,90,077	12,18,27,709
(b) Employee Benefits Expense	28	15,64,19,880	17,44,46,228
(c) Finance Costs	29	24,64,30,061	41,52,74,806
(d) Depreciation and Amortization Expense		24,39,03,075	24,58,64,557
(e) Other Expenses	30	41,47,47,524	42,41,38,610
Total		1,16,30,90,616	1,38,15,51,910
Profit/(Loss) Before Exceptional Items and Tax		(27,87,97,463)	(39,41,54,424)
Exceptional Items		-	-
Profit/(Loss) Before Tax		(27,87,97,463)	(39,41,54,424)
Tax Expense			
Current Tax		-	-
For Earlier Years		6,73,874	-
Profit/(Loss) for the year		(27,94,71,337)	(39,41,54,424)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		(8,62,800)	(3,01,141)
Total Comprehensive Income for the year		(28,03,34,137)	(39,44,55,565)
Earnings per Equity Shares (Nominal value per Equity Share Rs. 10/-) (Refer Note No. 40)			
(a) Basic		(1.81)	(4.02)
(b) Diluted		(1.81)	(4.02)

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For P LUNAWAT & ASSOCIATES
Chartered Accountants
Firm Registration No.: 328946E

P. Lunawat

(Pankaj Lunawat)
Proprietor
Membership No.: 067104
Place: Chennai
Dat: 25th April 2018



FOR AND ON BEHALF OF THE BOARD

[Signature]

Director

Director

N. Mukhtakshmi
Chief Financial Officer

[Signature]
Vice President &
Company Secretary

ROBUST HOTELS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY

	Equity Share Capital	Other Equity			Total	(Amount in Rs.) Total Equity attributable to equity holders of the Company
		Share Premium Reserve	Retained Earnings	Other Comprehensive Income		
Balance as at 1st April, 2017	1,54,17,38,290	2,62,35,96,281	(93,96,89,390)	(28,55,185)	1,68,10,51,706	3,22,27,89,996
Remeasurement of the net defined benefit liability/ assets, net of tax Profit/(Loss) for the year	-	-	-	(8,62,800)	(8,62,800)	(8,62,800)
Balance as at 31st March, 2018	1,54,17,38,290	2,62,35,96,281	(27,94,71,337)	-	(27,94,71,337)	(27,94,71,337)
			(1,21,91,60,727)	(37,17,985)	1,40,07,17,569	2,94,24,55,859

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached

For P LUNAWAT & ASSOCIATES

Chartered Accountants

Firm Registration No.: 328946E



P. Lunawat

(Pankaj Lunawat)

Proprietor

Membership No.: 067104

Place: Chennai

Date: 25th April 2018

FOR AND ON BEHALF OF THE BOARD

Director

Director

N. Muthukrishnan
Chief Financial Officer

W. Balaram
Vice President &
Company Secretary

ROBUST HOTELS PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2018 (As per IndAS)

	Year Ended 31st March 2018	(Amount in Rs.) Year Ended 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	(27,87,97,463)	(39,41,54,424)
Adjustment for :		
Depreciation/amortization	24,39,03,075	24,58,64,557
Loss/(profit) on sale of fixed assets	-	79,69,392
Interest Expense on Borrowings	15,76,73,090	18,10,73,170
Provision for Gratuity	24,17,059	24,42,288
Provision for Leave Encashment	27,96,771	25,44,536
Interest income	(14,17,872)	(4,63,502)
Interest on Debentures	15,50,000	-
Sundry balances written back (net)	(52,13,826)	-
IndAS Adjustments :		
Difference in Fair value of Investment in Maple Renewable Power Private Ltd	91,02,964	(69,88,887)
Interest on Debentures and Preference Shares	7,44,96,261	22,87,37,289
Operating profit before working capital changes	20,65,10,059	26,70,24,420
Movements in working capital :		
Increase/(decrease) in trade payables in Financial Liabilities	3,34,36,681	(1,15,62,731)
Increase/(decrease) in other current liabilities	1,65,13,102	39,02,439
Increase/(decrease) in other current financial liabilities	(3,93,76,623)	-
Increase/(decrease) in non current provisions	(63,23,350)	-
Increase/(decrease) in current provisions	3,61,733	-
Decrease/(increase) in trade receivables in Financial Assets	(3,20,99,789)	65,79,051
Decrease/(increase) in inventories in Current Assets	(1,10,72,791)	(16,06,080)
Decrease / (increase) in other Financial Assets	(60,060)	(53,40,411)
Decrease / (increase) in other Financial Assets under current asset	26,543	1,79,238
Decrease / (increase) in loans in Financial Assets	(6,497)	53,20,30,346
Decrease / (increase) in other Current Assets in Financial Assets	(28,24,107)	(23,26,553)
Decrease / (increase) in other Non current asset	(15,19,01,814)	-
Cash generated from/(used in) operations	1,31,83,088	78,88,79,719
Less: Direct taxes paid (net of refunds)	1,18,62,931	-
Net cash flow from/(used in) Operating Activities (A)	13,20,157	78,88,79,719
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(63,52,666)	(3,41,23,705)
Increase / (Decrease) in Capital Work in progress	-	21,59,643
Proceeds from sale of fixed assets	-	14,65,109
Purchase of current investments	(7,50,000)	(21,00,000)
Sale of current Investments	22,40,000	-
Sale of National Saving Certificates	24,000	-
Refund during Conversion	-	(25)
Interest received	14,17,872	4,63,502
Net cash flow from/(used in) Investing Activities (B)	(34,20,794)	(3,21,35,476)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long Term Borrowings	(7,35,00,000)	(57,35,00,000)
Proceeds from Short Term Borrowings - CC	54,27,820	(76,57,569)
Proceeds from Short Term Borrowings - Unsecured Loan	22,25,00,000	-
Interest paid on borrowings	(15,76,73,090)	(18,10,73,170)
Interest paid on Debentures	(15,50,000)	-
Net cash flow from/(used in) in Financing Activities (C)	(47,95,270)	(76,22,30,739)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	(68,95,907)	(54,86,496)
Cash and Cash Equivalents at the beginning of the year	1,42,55,449	1,97,41,945
Cash and Cash Equivalents at the end of the year	73,59,542	1,42,55,449

The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached
For P LUNAWAT & ASSOCIATES

Chartered Accountants
Firm Registration No.: 328946E

Pankaj Lunawat
(Pankaj Lunawat)
Proprietor

Membership No.: 067104
Place: Chennai
Date: 25th April 2018



FOR AND ON BEHALF OF THE BOARD

Director

Director

N. Muthukrishnan
Chief Financial Officer

Subhabanti
Vice President &
Company Secretary

ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

3 Property, Plant and Equipments

[Amount in Rs.]

	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Total
Carrying Amount:							
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	-	38,624	3,969,966	213,938	737,235	-	4,959,763
Deletions/ Adjustments	-	-	-	-	-	-	-
As at 31st March 2018	1,540,585,512	3,124,262,171	1,667,691,853	587,617,641	18,688,979	3,664,688	6,942,510,844
Accumulated Depreciation and Impairment							
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 year	-	49,503,570	112,852,053	74,614,269	791,002	158,255	237,919,149
Impairment	-	-	-	-	-	-	-
Deletions/ Adjustments	-	-	-	-	-	-	-
As at 31st March 2018	-	288,629,387	608,562,165	400,649,752	16,378,571	2,203,904	1,316,423,779
Net Carrying Amount	1,540,585,512	2,835,632,784	1,059,129,688	186,967,889	2,310,408	1,460,784	5,626,087,065
As at 31st March 2018	1,540,585,512	2,885,097,730	1,168,011,775	261,368,220	2,344,175	1,619,099	5,859,046,451

Notes:

a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. 1st April, 2015 as its deemed cost on the date of transition to Ind AS (i.e. 1st April, 2015)

b) The Company has availed the deemed cost exemption in relation to the property, plant & equipment on the date of transition and hence the carrying amount has been considered as the gross block amount on that date.

4 Intangible Assets

Following are the changes in the carrying value of accrued intangible assets for the year ended 31st March, 2018

[Amount in Rs.]

	Software
Carrying Amount	
As at 1st April 2017	38,685,431
Additions	1,392,903
Deletions/ Adjustments	-
As at 31st March 2018	40,078,334
Accumulated Depreciation and Impairment	
As at 1st April 2017	29,491,705
Charge for the period	5,983,927
Impairment	-
Deletions/ Adjustments	-
As at 31st March 2018	35,475,632
Net Carrying Amount	
As at 31st March 2018	4,602,702
As at 31st March 2017	9,193,726

Notes:

a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. 1st April, 2015 as its deemed cost on the date of transition to Ind AS (i.e. 1st April, 2015)

b) The Company has availed the deemed cost exemption in relation to the property, plant & equipment on the date of transition and hence the carrying amount has been considered as the gross block amount on that date.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

	(Amount in Rs.)	
	As at 31st March, 2018	As at 31st March, 2017
5 Investments		
Unquoted Equity Shares		
Investments carried at fair value through Profit and Loss - fully		
7,26,000 (Previous Year: 8,75,000) Class-A Equity Shares of Maple		
Renewable Power Private Limited of Rs. 10/- each	30,767,880	41,360,844
In Government Securities		
Investments carried at amortised cost		
National Savings Certificate	10,000	34,000
	<u>30,777,880</u>	<u>41,394,844</u>
6 Other Financial Assets		
(Unsecured, considered good by the management)		
Security Deposits with		
- Government Department	13,300,290	13,744,330
- Others	3,557,000	2,667,900
Fixed Deposit with Bank*	8,505,773	8,890,773
	<u>25,363,063</u>	<u>25,303,003</u>
*Includes Margin Money deposit of Rs. 12.33,000 (Previous Year: Rs. 88,90,773)		
7 Non Current Tax Assets (net)		
Income Tax Refundable	29,420,860	
Tax Deducted at source and Tax collected at Source	5,992,004	30,206,710
	<u>35,412,864</u>	<u>30,206,710</u>
8 Other Non-Current Assets		
Deposits with High Court	151,200,000	-
Balances with Statutory Authorities	701,814	-
	<u>151,901,814</u>	<u>-</u>
9 Inventories		
(As taken valued and certified by the management)		
(Valued at cost or Net Realisable Value, whichever is lower)		
Food, Beverages & Tobacco	11,237,572	7,459,804
General Stores & Spares	8,006,852	711,830
	<u>19,244,424</u>	<u>8,171,634</u>
10 Trade Receivables		
(Unsecured, considered good by the management)	87,166,754	55,066,965
(includes Rs.8,80,302/- (Previous Year Rs. 10,97,735/-) from Related		
Parties Refer Note 38)	<u>87,166,754</u>	<u>55,066,965</u>

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 38 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.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

(Amount in Rs.)

	As at 31st March, 2018	As at 31st March, 2017
11 Cash and Cash Equivalents		
Balance with Banks		
- In Current Accounts	5,730,121	12,850,102
- Margin Money Deposit	385,000	-
Cash on hand (as certified by the management)	1,244,421	1,405,347
	7,359,542	14,255,449
12 Loans		
(Unsecured, considered good by the management)		
Advance to employees	58,400	51,903
	58,400	51,903
13 Other Financial Assets		
Interest accrued on Term deposits	43,046	-
Interest accrued on EB deposits	661,564	718,649
Interest accrued on NSC	4,249	16,753
	708,859	735,402
14 Current Tax Assets (net)		
Tax Deducted at source and Tax collected at Source	11,074,361	5,091,458
	11,074,361	5,091,458
15 Other Current Assets		
Balances with Statutory Authorities	15,730,960	13,554,290
Prepaid Expenses	9,879,999	8,164,266
Advance to Suppliers	3,957,853	6,854,360
Other Receivables	2,848,212	1,020,000
	32,417,023	29,592,916



ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

(Amount in Rs.)

	As at 31st March, 2018	As at 31st March, 2017
16 Share Capital		
a) Authorised		
15,50,00,000 (Previous year: 15,50,00,000) Equity Shares of Rs. 10 each	1,550,000,000	1,550,000,000
43,00,000 (Previous year: 43,00,000) Preference Shares of Rs. 100 each	430,000,000	430,000,000
1,40,00,000 (Previous year: 1,40,00,000) Preference Shares of Rs. 10 each	140,000,000	140,000,000
	2,120,000,000	2,120,000,000
Issued, Subscribed & Paid Up		
15,41,73,829 (Previous year: 15,41,73,829) Equity Shares of Rs. 10 each fully paid up	1,541,738,290	1,541,738,290
43,00,000 (Previous year: 43,00,000) 12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	430,000,000	430,000,000
	1,971,738,290	1,971,738,290
Paid up Equity Share Capital		
15,41,73,829 (Previous year: 15,41,73,829) Equity Shares of Rs.10/- each fully paid up in cash	1,541,738,290	1,541,738,290
	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		
Equity Shares		
At the beginning of the year	154,173,829	93,942,769
Issued during the year	-	60,231,060
At the end of the year	154,173,829	154,173,829
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 are as below:		
GJS Hotels Limited, the Holding Company		
12,41,63,829 (Previous Year: 12,41,63,829) shares of 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 (Previous Year: 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) The details of shareholders holding more than 5% shares as at 31st March, 2018 and 31st March, 2017		
Name of the shareholder	As at March, 2018	As at March, 2017
Equity Shares	No. of Shares % held	No. of Shares % held
GJS Hotels Limited (Holding Company)	124,163,829 81	124,163,829 81
Asian Hotels (East) Limited (Holding Company of GJS Hotels Limited)	30,010,000 19	30,010,000 19
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 ownership of shares.		



ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

	(Amount in Rs.)	
	As at 31st March, 2018	As at 31st March, 2017
17 Other Equity		
Securities Premium Reserve	2,623,596,281	2,623,596,281
Retained Earnings	(1,219,160,727)	(939,689,390)
Other Comprehensive Income	(3,717,985)	(2,855,185)
	<u>1,400,717,569</u>	<u>1,681,051,706</u>
18 Non-current Liabilities		
Borrowings		
43,00,000 (Previous year: 43,00,000) 12% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up (Refer Note 'a' below and Note 48)	430,000,000	430,000,000
Term Loan (Secured) (Refer Note 'b' below)		
From HDFC Limited	1,325,100,000	1,398,600,000
Less: Repayable within one year	95,550,000	73,500,000
	<u>1,229,550,000</u>	<u>1,325,100,000</u>
Unsecured - Debentures (Refer Note 'c' below & Note 38)		
1,55,00,000 (Previous year: 1,55,00,000 31 March, 2017) 0.1% Unsecured Non-Convertible Debentures of Rs. 100/- each	708,215,105	633,718,845
	<u>2,367,765,105</u>	<u>2,388,818,845</u>

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

The Cumulative Redeemable Preference Shares are redeemable at a premium of 10% on 5th July, 2021 unless mutually agreed upon for further rollover.

b) Security Clause

The above term loan is secured by *pari passu* first charge by way of hypothecation of entire movable properties 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. Above securities are ranking *pari passu* for the Bank Guarantee facility availed by the company 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

The loan is repayable in 42 Quarterly Instalments being:

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

c) Unsecured Debentures

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 from the date of allotment i.e. 31st March, 2015 on mutually agreed terms.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

	(Amount in Rs.)	
	As at 31st March, 2018	As at 31st March, 2017
19 Non Current Provisions		
Provision for Gratuity	4,060,339	4,239,227
Provision for LTA	2,468,302	2,425,174
Provision for Leave Benefits	1,450,527	1,561,487
	<u>7,979,168</u>	<u>8,225,888</u>
20 Borrowings		
Secured		
Cash Credit Account with IDBI Bank Limited (Refer Note 'a' below)	45,877,706	40,449,886
Unsecured		
Loan from Holding Company repayable on demand (Refer Note 38)	222,500,000	-
	<u>268,377,706</u>	<u>40,449,886</u>
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 passu charge by way of hypothecation of entire movable properties 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.		
21 Trade Payables	208,813,426	180,996,795
Includes Related Parties Rs.6,17,787 (Previous Year : Rs.20,66,818)		
Refer Note 38		
Less: Electricity	5,421,333	5,827,557
	<u>203,392,093</u>	<u>175,169,238</u>
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 31st March, 2018 and 31st March, 2017. There are no interest due or outstanding on the same.		
22 Other Current Financial Liabilities		
Current Maturities of Long Term Debt	95,550,000	73,500,000
Interest Accrued and due on Loan and Cash Credit (Refer Note No. 38)	5,058,143	1,451,343
Salary Payable	8,407,866	6,270,882
Contract Payroll Payable	1,904,368	2,613,886
Electricity Expenses Payable	5,421,333	5,827,557
Other Payables	61,929,606	105,934,271
	<u>178,271,316</u>	<u>195,597,939</u>
23 Provisions		
Provision for employee benefits		
Provision for Gratuity	43,171	49,782
Provision for Leave Benefits	388,234	19,890
	<u>431,405</u>	<u>69,672</u>
24 Other Current Liabilities		
Advance from Customers	25,401,308	11,250,977
Other Current Liabilities	15,543,747	19,544,519
(Includes Related Parties Rs. 1,78,821 (Previous Year Rs. 1,78,821) Refer Note 38		
Statutory Dues	22,557,044	16,193,503
	<u>63,502,099</u>	<u>46,988,998</u>

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ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

	Year ended 31st March, 2018	Year Ended 31st March, 2017
25 Revenue from Operations		
Sale of Products		
Soft Beverages, Wines and Liquor	41,364,621	78,173,074
Food and Smokes	306,780,434	336,856,929
	<u>348,145,055</u>	<u>415,030,003</u>
Sale of Services		
Rooms Revenue	420,081,178	420,107,460
Banquet Income	46,300,637	45,255,879
Health & Spa Revenue	7,666,476	7,933,796
Laundry Revenue	5,289,852	7,117,461
Auto Rental Revenue	14,364,281	24,184,243
Communications	638,617	1,442,671
Equipment Revenue	2,041,983	4,024,893
Other Operating Revenue	25,644,249	29,393,225
Service Charge Revenue	4,661,471	14,461,365
	<u>526,688,744</u>	<u>553,920,993</u>
	<u>874,833,800</u>	<u>968,950,995</u>
26 Other Income		
Interest Income (Gross)		
(Tax deducted at source Rs. 42,111/- , Previous Year Rs. 14,818/-)		
From Term Deposits	717,238	1,197,148
From Others	700,634	733,646
Insurance Claim Received	-	2,764,035
Miscellaneous Income	2,827,656	2,218,211
(Tax deducted at source Rs. 1,43,719/- Previous 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	-	4,544,564
Sundry Balances written Back (Net)	5,213,826	-
Total	<u>9,459,354</u>	<u>18,446,491</u>
27 Consumption of Provisions, Beverages, Smokes & Others		
Opening Stock	8,171,634	6,565,554
Add : Purchases	104,656,014	123,433,789
	<u>112,827,648</u>	<u>129,999,343</u>
Less : Closing Stock	11,237,572	8,171,634
Total Cost of Consumption	<u>101,590,077</u>	<u>121,827,709</u>
28 Employee Benefits Expense		
Salaries, Wages & Bonus etc	126,691,258	136,486,224
Contribution to Provident & Other Funds	9,475,586	11,178,550
Staff Welfare Expenses *	19,131,477	26,338,466
Recruitment & Training	1,121,558	442,988
	<u>156,419,880</u>	<u>174,446,228</u>

*Includes cost of provisions consumed in staff cafeteria



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

	Year ended 31st March, 2018	Year ended 31st March, 2017
29 Finance Costs		
Interest		
- On Term Loan	154,003,741	176,649,294
- On Cash Credit	3,669,349	4,423,876
- On Debentures	76,046,261	121,435,422
- On Unsecured Loan	8,107,877	-
- On Others	4,509	6,239
Dividend on Redeemable Preference Shares	-	109,097,770
Other Borrowing Cost	4,598,324	3,662,205
	246,430,061	415,274,806
30 Other Expenses		
Contract Labour and Service	60,176,056	69,042,403
Linen, Room, Catering, other supplies	23,502,580	13,821,320
Operating Equipments Consumption	17,016,016	17,941,338
Fuel, Power & Light	97,632,383	101,035,455
Repairs & Maintenance		
- To Building	7,127,469	6,583,873
- To Plant & Equipment	27,280,314	25,655,191
- To Others	2,836,620	2,455,766
Equipment Hiring Charges	5,860,600	3,835,447
Rates & Taxes	29,759,849	30,588,892
Advertisement & Publicity	34,020,511	39,456,114
Insurance	3,358,221	3,701,790
Net Loss on Foreign Currency Transaction and Translation	1,757,715	-
Printing & Stationery	2,701,631	2,432,800
Directors' Sitting Fees	24,000	17,000
Travelling & Conveyance	9,461,154	6,865,407
Professional and Consultancy Fees	8,137,191	7,643,494
Filing Fees	43,460	4,553,400
Communication Expenses		
Cost of Calls	3,721,164	2,730,398
Telephone Charges	25,162	45,707
Lease Line Rentals	31,120	1,073,907
Technical Services	28,498,245	30,276,638
Brokerage & Commission	37,031,888	40,965,354
Payment to Auditors		
- As Auditor	325,000	325,000
- For Tax Audit	75,000	75,000
- For Other Services	10,000	31,587
Loss on sale of Fixed Assets (net)	-	7,969,392
Fair Value loss on Investment	9,102,964	-
Miscellaneous Expenses	5,231,212	5,015,937
	414,747,524	424,138,610



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Other Notes

31. Contingent Liabilities and Commitments not provided for

	As at 31 st March, 2018 Rs.	As at 31 st March, 2017 Rs.
i) Contingent Liabilities Bank Guarantees	1,61,70,179	6,13,32,726
ii) Commitments Estimated amount of Capital Contracts pending to be executed (net of advances Nil) (Previous year Nil)	-	3,62,152
iii) Export Obligation in Respect of EPCG Licenses	-	49,06,61,808
iv) Claims against the Company not acknowledged as debt	9,05,697	6,66,381
v) Disputed Income Tax demand for the A.Y 2010-11	17,12,83,635	17,12,83,635
vi) Disputed Income Tax demand for the A.Y 2014-15	4,55,56,200	4,55,56,200
vii) Disputed Excise Duty and Penalty from April 2012 to October 2015 (Net of payment Rs.7,01,814/-) Previous Year Rs. 3,30,424/-)	45,59,117	49,30,507
viii) Pending claims from IOC Limited for non-submission of 'C' forms for purchase of diesel	4,00,000	-

32. The Company has not provided liability on account of dividend payable on Cumulative Preference Shares as detailed below:

Class of Preference Share	Number of Shares	Date of Allotment	Dividend Payable (Rs.) As at 31.03.2018
12% Cumulative Redeemable Preference Shares of Rs.100 each	43,00,000	04.09.08	49,39,46,301

33. No amount is due to Micro, Small and Medium enterprises (identified on the basis of information made available during the year by such enterprises to the Company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.

34. Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation as on 31st March, 2018 and recognized in the financial statements in respect of Employee Benefit Scheme



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

		Gratuity Unfunded		Leave Encashment Unfunded	
I	Components of Employer Expense	Year ended 31 st March, 2018	Year ended 31 st March, 2017	Year ended 31 st March, 2018	Year ended 31 st March, 2017
		Rs.	Rs.	Rs.	Rs.
	1 Current Service Cost	13,24,801	14,74,822	5,76,010	9,83,553
	2 Interest Cost	2,29,458	2,74,044	23,938	52,766
	3 Actuarial (Gains)/ Losses	8,62,800	3,01,141	21,96,823	8,84,053
	4 Total expense recognised in the statement of Profit and Loss	15,54,259	17,48,866	27,96,771	19,20,372
II	Net Asset/(Liability) recognised in Balance Sheet as at 31 st March				
	1 Present Value of Defined Benefit Obligation	41,03,510	42,89,009	18,38,761	15,81,377
	2 Status (Surplus/ Deficit)	(41,03,510)	(42,89,009)	(18,38,761)	(15,81,377)
	3 Net Asset/(Liability) recognised in Balance Sheet	(41,03,510)	(42,89,009)	(18,38,761)	(15,81,377)
III	Change in Defined Benefit Obligation (DBO) during the year				
	1 Present Value of DBO at the beginning of the year	42,89,009	50,68,838	15,81,377	17,46,085
	2 Current Service Cost	13,24,801	14,74,822	5,76,010	9,83,553
	3 Interest Cost	2,29,458	2,74,044	23,938	52,766
	4 Actuarial (Gains)/ Losses	8,62,800	3,01,141	21,96,823	8,84,053
	5 Benefits Paid	26,02,558	28,29,836	25,39,387	20,85,080
	6 Present Value of DBO at the end of the year	41,03,510	42,89,009	18,38,761	15,81,377
IV	Actuarial Assumptions				
	1 Mortality Table	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate
	2 Discount Rate (per annum)	7.68%	7.50%	7.68%	7.50%
	3 Rate of escalation in Salary (per annum)	6.00%	6.00%	6.00%	6.00%
V	Amount Recognized in Other Comprehensive Income (OCI):				
	Actuarial (Gain)/Loss recognized during the year	8,62,800	3,01,141	-	-



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Defined Benefit Plans / Long Term Compensated Absences – As per Actuarial Valuation as on 31st March, 2018 and recognized in the financial statements in respect of Employee Benefit Scheme (Contd...)

Experience adjustment on account of actuarial assumption of Gratuity:	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>
	Rs.	Rs.	Rs.
1. Defined Benefit Obligation as at 31st March	41,03,510	42,89,009	50,68,838
2. Plan Assets as at 31 st March	-	-	-
3. Surplus/(Deficit)	(8,62,800)	(3,01,141)	(8,42,265)
Experience adjustment of Obligation	10,05,479	(73,282)	7,12,305

Note:

1. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimates term of obligations.
2. The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
3. The gratuity plan and earned leave is unfunded.
35. In the opinion of the Management, the value of realization of Current and Non Current Assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
36. The timing difference relating mainly to depreciation and unabsorbed losses result in net deferred credit as per IND AS 12 "Income Taxes". As a prudent measure the net Deferred Tax Assets' relating to the above has not been recognized in the financial statements.
37. The Company does not have more than one reportable segment in accordance with the principle outlined in IND AS 108, the disclosure requirements on "Segment Reporting" is not applicable. The Company operates presently only in India.
38. Disclosure in respect of related parties as defined in Indian Accounting Standard 24 are given below:-

A. Key Managerial Personnel and Relatives

- a. Mr. Arun Kumar Saraf, Director
- b. Mr. A. Srinivasan, Director
- c. Mr. Umesh Saraf, Director
- d. Mr. Varun Saraf, Director
- e. Mr. Pawan Kumar Kakarania, Independent Director
- f. Ms. Soumya Saha, Independent Director
- g. Mr. T.N. Tharukachalam, Company Secretary
- h. Ms. N. Muthulakshmi, CFO



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

38. Disclosure in respect of related parties as defined in Indian Accounting Standard 24 are given below:- (Contd...)

B. Holding Company:

- a. GJS Hotels Limited (GJS)
- b. Asian Hotels (East) Limited (AHEL) holding company of GJS Hotels Limited.

C. Enterprises over which Key Managerial Personnel are able to exercise Significant Influence :

- a. Asian Hotels (East) Limited (AHEL)
- b. Juniper Hotels Private Limited (JHPL)
- c. Juniper Investments Limited (JIL)
- d. Chartered Hotels Private Limited (CHPL)
- e. Chartered Hampi Hotels Private Limited (CHHPL)
- f. Unison Hotels Limited (UHL)
- g. Taragaon Regency Hotels Limited (TRHL)
- h. Samra Importex Private Limited
- i. Blue Energy Private Limited
- j. Polygon Management Advisory Private Limited
- k. Bodhgaya Guest House Pvt. Ltd.
- l. Saikia Estate Development Pvt. Ltd.

D. Disclosure of Transactions during the year

Name of Person	Nature of Transactions	Year Ended 31st March, 2018 Rs.	Year Ended 31st March, 2017 Rs.
AHEL	Cost of Materials Consumed	5,700	32,486
	Reimbursement of Expenses(Net)	2,89,858	8,586
	Contract Labour and Services	-	4,26,479
	Sales Promotion	-	2,88,503
	Sale of Services	11,65,021	6,72,386
	Interest on Unsecured Loan (TDS deducted Rs. 8,10,788/-)	81,07,877	-
	Refund of Advance given to Forex Finance Private Limited	-	53,20,00,000
	Loan taken	22,25,00,000	-
	Advance Received	-	7,50,00,000
	Refund of Advance	-	7,50,00,000



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

Disclosure of Transactions during the year (Contd...)

Name of Person	Nature of Transactions	Year Ended 31st March, 2018	Year Ended 31st March, 2017
JHPL	Reimbursement of Expenses	39,627	-
	Cost of Material Consumed	-	-
	Travelling and Conveyance	-	2,37,018
	Sale of Services	2,48,675	3,23,338
	Sales Promotion	59,341	72,132
UHL	Travelling Expenses	-	68,512
	Sale of Services	17,308	-
	Reimbursement of Expenses	3,12,114	-
	Sales Promotion	6,85,169	-
CHHPL	Sale of Services	9,272	-
CHL	Sale of Services	1,57,713	-
GJS	Interest on Debentures	7,60,46,261	12,14,35,432
	Issue of Equity shares on conversion of 1% Cumulative Convertible Preference Shares (Including Securities Premium Rs. 1,32,50,83,320)	-	1,92,73,93,920
Mr. A. Srinivasan	Remuneration*	-	56,02,467
	Legal Consultancy Fee	12,00,000	-
	Sitting Fee	2,000	3,000
Mr. Arun Kumar Saraf	Sitting Fee	2,000	4,000
Mr. Umesh Saraf	Sitting Fee	6,000	7,000
Mr. Soumya Saha	Sitting Fee	5,000	1,000
Mr. Pawan Kumar Kakarnia	Sitting Fee	4,000	1,000
Mr. Varun Kumar Saraf	Sitting Fee	5,000	1,000
Mr. T.N. Thanikachalam	Remuneration*	33,21,873	30,44,013
Ms. N. Muthulakshmi	Remuneration*	11,40,873	9,70,052

* The post employment benefits of KMPs excludes gratuity which cannot be separately identified from the composite amount advised by the actuary.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

E. Balances as at year end

Name of Person	Nature of Balances	Year Ended 31st March, 2018 Rs.	Year Ended 31st March, 2017 Rs.
AHEL	Corporate Guarantee	160,95,00,000	160,95,00,000
	Unsecured Loan	22,25,00,000	-
	Trade Payables	13,956	8,27,589
	Trade Receivables	6,51,458	5,40,535
	Interest accrued and due (net of TDS Rs. 5,32,535/-)	47,92,808	-
JHPL	Trade Payables	6,03,831	12,39,229
	Trade Receivables	44,177	5,57,200
UHL	Other Payables	1,78,821	1,78,821
	Trade Receivables	17,682	-
CHL	Trade Receivables	1,57,713	-
CHHPL	Trade Receivables	9,272	-
GJS	Interest accrued and due	-	13,95,000
	0.1% Unsecured Cumulative Non- Convertible Debentures.	70,82,15,105	63,37,18,844

39. Earnings in Foreign Currency (Net):-

-On Receipt Basis*	Rs. 27,15,89,441	Rs.40,22,32,691
--------------------	------------------	-----------------

*On the basis of Foreign Inward Remittance Certificates received.

40. Earnings Per Share

<u>Numerator</u>		
Profit/(Loss) for the year (Rs.)	(27,94,71,337)	(39,41,54,424)
<u>Denominator</u>		
Weighted average number of Equity Shares	15,41,73,829	9,80,68,184
Face Value per Share (Rs.)	10	10
Earnings Per Share (Rs.)		
-Basic	(1.81)	(4.02)
-Diluted	(1.81)	(4.02)



ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

41 FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories as on 31st March, 2018 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in Rs. Total Fair Value
ASSETS					
Non - current Assets					
i) Investments	10,000	30,767,880	-	30,777,880	30,777,880
ii) Other Financial Assets	25,363,063	-	-	25,363,063	25,363,063
	<u>25,373,063</u>	<u>30,767,880</u>	<u>-</u>	<u>56,140,943</u>	<u>56,140,943</u>
Current Assets					
i) Trade Receivables	87,166,754	-	-	87,166,754	87,166,754
ii) Cash and Cash Equivalents	7,359,542	-	-	7,359,542	7,359,542
iii) Loans	58,400	-	-	58,400	58,400
iv) Other Financial Assets	708,859	-	-	708,859	708,859
	<u>95,293,555</u>	<u>-</u>	<u>-</u>	<u>95,293,555</u>	<u>95,293,555</u>
Total	<u>120,666,618</u>	<u>30,767,880</u>	<u>-</u>	<u>151,434,498</u>	<u>151,434,498</u>
LIABILITIES					
Non - current Liabilities					
(i) Borrowings	1,229,550,000	-	-	1,229,550,000	1,229,550,000
(ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000	430,000,000
(iii) Unsecured Debentures	-	708,215,105	-	708,215,105	708,215,105
	<u>1,659,550,000</u>	<u>708,215,105</u>	<u>-</u>	<u>2,367,765,105</u>	<u>2,367,765,105</u>
Current Liabilities					
(i) Borrowings	268,377,706	-	-	268,377,706	268,377,706
(ii) Trade Payables	203,392,093	-	-	203,392,093	203,392,093
(iii) Other Financial Liabilities	178,271,316	-	-	178,271,316	178,271,316
	<u>650,041,115</u>	<u>-</u>	<u>-</u>	<u>650,041,115</u>	<u>650,041,115</u>
	<u>2,309,591,115</u>	<u>708,215,105</u>	<u>-</u>	<u>3,017,806,220</u>	<u>3,017,806,220</u>



ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

41 FINANCIAL INSTRUMENTS (Contd....)

Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31st March, 2017 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in Rs. Total Fair Value
ASSETS					
Non - current Assets					
i) Investments	34,000	41,360,844	-	41,394,844	41,394,844
ii) Other Financial Assets	25,303,003	-	-	25,303,003	25,303,003
	<u>25,337,003</u>	<u>41,360,844</u>	<u>-</u>	<u>66,697,847</u>	<u>66,697,847</u>
Current Assets					
i) Trade Receivables	55,066,965	-	-	55,066,965	55,066,965
ii) Cash and Cash Equivalents	14,255,449	-	-	14,255,449	14,255,449
iii) Loans	51,903	-	-	51,903	51,903
iv) Other Financial Assets	735,402	-	-	735,402	735,402
	<u>70,109,719</u>	<u>-</u>	<u>-</u>	<u>70,109,719</u>	<u>70,109,719</u>
Total Assets	<u>95,446,722</u>	<u>41,360,844</u>	<u>-</u>	<u>136,807,566</u>	<u>136,807,566</u>
LIABILITIES					
Non - current Liabilities					
i) Borrowings	1,325,100,000	-	-	1,325,100,000	1,325,100,000
ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000	430,000,000
iii) Unsecured Debentures	-	633,718,845	-	633,718,845	633,718,845
	<u>1,755,100,000</u>	<u>633,718,845</u>	<u>-</u>	<u>2,388,818,845</u>	<u>2,388,818,845</u>
Current Liabilities					
(i) Borrowings	40,449,886	-	-	40,449,886	40,449,886
(ii) Trade Payables	175,169,238	-	-	175,169,238	175,169,238
(iii) Other Financial Liabilities	195,597,939	-	-	195,597,939	195,597,939
	<u>411,217,063</u>	<u>-</u>	<u>-</u>	<u>411,217,063</u>	<u>411,217,063</u>
Total	<u>2,166,317,063</u>	<u>633,718,845</u>	<u>-</u>	<u>2,800,035,908</u>	<u>2,800,035,908</u>



ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

42 Fair value hierarchy

This explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To Provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1 : includes financial Instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial Instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of 31st March, 2018:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
ASSETS				
Non - current Assets				
i) Investments	30,777,880	-	30,767,880	-
ii) Other Financial Assets	25,363,063	-	-	25,363,063
	56,140,943	-	30,767,880	25,363,063
Current Assets				
i) Trade Receivables	87,166,754	-	-	87,166,754
ii) Cash and Cash Equivalents	7,359,542	-	-	7,359,542
iii) Loans	58,400	-	-	58,400
iv) Other Financial Assets	708,859	-	-	708,859
	95,293,555	-	-	95,293,555
Total	151,434,498	-	30,767,880	120,656,618
LIABILITIES				
Non - current Liabilities				
i) Term Loan	1,229,550,000	-	-	1,229,550,000
Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000
iii) Unsecured Debentures	708,215,105	-	708,215,105	-
	2,367,765,105	-	708,215,105	1,659,550,000
Current Liabilities				
(i) Term Loan	268,377,706	-	-	268,377,706
(ii) Trade Payables	203,392,093	-	-	203,392,093
(iii) Other Financial Liabilities	178,271,316	-	-	178,271,316
	650,041,115	-	-	650,041,115
Total	3,017,806,220	-	708,215,105	2,309,591,115



ROBUST HOTELS PRIVATE LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2018

42 Fair value hierarchy (Contd...)

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of 31st March, 2017

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
ASSETS				
Non - current Assets				
i) Investments	41,394,844	-	41,360,844	34,000
ii) Other Financial Assets	25,303,003	-	-	25,303,003
	<u>66,697,847</u>	<u>-</u>	<u>41,360,844</u>	<u>25,337,003</u>
Current Assets				
i) Trade Receivables	55,066,965	-	-	55,066,965
ii) Cash and Cash Equivalents	14,255,449	-	-	14,255,449
iii) Loans	51,903	-	-	51,903
iv) Other Financial Assets	735,402	-	-	735,402
	<u>70,109,719</u>	<u>-</u>	<u>-</u>	<u>70,109,719</u>
Total	<u>136,807,566</u>	<u>-</u>	<u>41,360,844</u>	<u>95,446,722</u>
LIABILITIES				
Non - current Liabilities				
i) Term Loan	1,325,100,000	-	-	1,325,100,000
ii) 12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	430,000,000	-	-	430,000,000
iii) Unsecured Debentures	633,718,845	-	633,718,845	-
	<u>2,388,818,845</u>	<u>-</u>	<u>633,718,845</u>	<u>1,755,100,000</u>
Current Liabilities				
(i) Term Loan	40,449,886	-	-	40,449,886
(ii) Trade Payables	175,169,238	-	-	175,169,238
(iii) Other Financial Liabilities	195,597,939	-	-	195,597,939
	<u>411,217,063</u>	<u>-</u>	<u>-</u>	<u>411,217,063</u>
Total	<u>2,800,035,908</u>	<u>-</u>	<u>633,718,845</u>	<u>2,166,317,063</u>

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are in close approximation of fair value.

43 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to liquidity risk and credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company maintains sufficient cash and cash equivalent to manage day to day operation. The Company has financial support from Asian Hotels (East) Limited, the holding company, to meet its financial liabilities for repayment.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

43 FINANCIAL RISK MANAGEMENT (Contd...)

The table below provides details regarding the contractual maturities of financial liabilities as of 31st March, 2018:

Particulars	less than 3 months	3 months to 1 year	1 - 5 years	5 to 20 years	Amount in Rs. Total
Term Loan	-	268,377,706	762,150,000	467,400,000	1,497,927,706
12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	-	-	430,000,000	-	430,000,000
Unsecured Debentures	-	-	-	708,215,105	708,215,105
Trade payables	-	203,392,093	-	-	203,392,093
Other Financial Liabilities	-	178,271,316	-	-	178,271,316

The table below provides details regarding the contractual maturities of financial liabilities as of 31st March, 2017:

Particulars	less than 3 months	3 months to 1 year	1 - 5 years	5 to 20 years	Amount in Rs. Total
Term Loan	-	40,449,886	529,500,000	795,600,000	1,365,549,886
12% Cumulative Redeemable Preference Shares of 100/- each fully paid up in cash	-	-	430,000,000	-	430,000,000
Unsecured Debentures	-	-	-	633,718,845	633,718,845
Trade payables	-	175,169,238	-	-	175,169,238
Other Financial Liabilities	15,000,000	180,597,939	-	-	195,597,939

Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows :

Particulars	31st March 2018	Amount in Rs. 31st March 2017
Investments	30,777,880	41,394,844
Trade Receivables	87,166,784	55,066,965
Cash & cash equivalents	7,359,542	14,255,449
Loans	58,400	51,903
Other Financial Assets	26,071,922	26,038,405

44 CAPITAL MANAGEMENT

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximisation of wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings.

Gearing Ratio is as follows :

Particulars	31st March 2018	Amount in Rs. 31st March 2017
Net debt	2,367,765,105	2,388,818,845
Total net debt and equity	5,310,220,964	5,611,608,840
Gearing Ratio	44.59%	42.57%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

45. C. I. F. Value of Capital Goods imported Rs.6,68,199 Rs.77,25,542
46. Expenditure in Foreign Currency:-

Expenditure	Year Ended 31 st March,2018	Year Ended 31 st March,2017
	Rs.	Rs.
Fees for Technical Services	1,50,58,571	1,86,93,855
Professional & Consultancy	-	7,88,706
Travelling Expenses	5,50,993	1,88,756
Commission	2,21,11,073	93,65,670
Insurance	-	9,93,629
Recruitment & Training	-	4,03,894
Cost of Supplies	-	5,58,746
Business Promotion & Advertisement	-	7,23,966
Repair & Maintenance	-	8,61,867
Management Fee	2,66,72,879	5,48,54,347
Others	7,18,216	4,07,497

47. Pursuant to Sections 230 and 232 of the Companies Act, 2013 the Board of Directors of the Company (RHPL) has approved a Scheme of Arrangement on 10th February, 2017 for (1) demerger of the investment division (Demerged Undertaking) of its holding company GJS Hotels Limited (GJS) for merger with Asian Hotels (East) Limited AHEL (the holding company of GJS) and (2) to reorganise the Share Capital and Debentures of RHPL with effect from the Appointed Date, being close of business hours on 31st March, 2016. Consequent to the demerger of the Demerged Undertaking of GJS with AHEL under the Scheme, all shares held by GJS in RHPL will stand transferred to AHEL and RHPL will become a wholly owned subsidiary of AHEL. The Share Capital and Debentures of RHPL will also stand reorganised pursuant to the said Scheme. The Scheme has been approved by National Stock Exchange of India Limited (NSE) and BSE Limited and approval by National Company Law Tribunal (NCLT) awaited.
48. 12% Cumulative Redeemable Preference Shares issued by the Company are covered under the Scheme of Arrangement among GJS Hotels Limited, Asian Hotels (East) limited and the Company and will be implemented after approval from NCLT, Kolkata and Chennai. Post implementation of this scheme of Arrangement, these Cumulative Redeemable Preference Shares held by Asian Hotels (East) Limited will eventually be converted into Equity Shares of the Company. The Dividend on these Preference Shares may not be payable by the Company. However arrear liability on these shares has been disclosed under Note No. 32 of the Financial Statements.



ROBUST HOTELS PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2018

49. Derivative instruments and foreign currency exposures

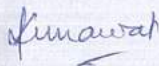
- a. Foreign currency exposure outstanding as at the Balance Sheet date is Rs. 11,80,91,292/- (previous year Rs.13,29,41,655)
- b. Particulars of un-hedged foreign currency exposures as at the balance sheet date is NIL (previous year NIL)

50. Previous year figures have been regrouped / rearranged wherever necessary.

Signature to Notes 1 to 51

As per our Report annexed
For P. Lunawat & Associates
Chartered Accountants
Firm Registration No.: 328946E

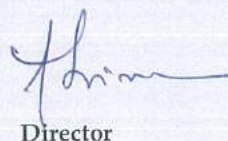
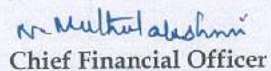
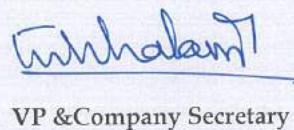
FOR AND ON BEHALF OF THE BOARD



(Pankaj Lunawat)
Proprietor
Membership No.: 067104
Place: Chennai
Date: 25th April 2018



Director


Director
Chief Financial Officer
VP & Company Secretary

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608
BALANCE SHEET AT MARCH 31, 2018

			Amount in Rs
	Note	As at 31.03.2018	As at 31.03.2017
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	2	54,409,175	68,539,349
(b) Capital work in progress	3	15,508,429	781,731
(c) Financial assets			
(i) Investments	4	4,681,457,634	4,606,961,373
(ii) Other financial assets	5	2,000	2,000
(d) Deferred tax assets	6	351,282	351,282
(e) Other non-current assets	7	250,000	-
Total Non Current Assets		4,751,978,520	4,676,635,735
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	8	386,354	16,392
(ii) Other financial assets	5	-	1,395,000
(b) Income tax assets (net)	9	258,078	103,078
Total Current Assets		644,432	1,514,470
Total assets		4,752,622,952	4,678,150,205
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	109,610,000	109,610,000
(b) Other equity	11	1,413,117,628	1,338,293,065
		1,522,727,628	1,447,903,065
LIABILITIES			
(1) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	3,229,844,800	3,230,204,800
(ii) Other financial liabilities	13	46,634	38,470
(b) Other current liabilities	14	3,890	3,870
Total Current Liabilities		3,229,895,324	3,230,247,140
Total Equity & Liabilities		4,752,622,952	4,678,150,205
Significant Accounting Policies	1		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For **NSBP & Co.**
Chartered Accountants
Firm Registration. No. 001075N

Deepak K. Aggarwal
Partner
Membership No. : 095541

Place: Delhi
Date: April 28, 2018



For and on behalf of the Board of Directors of GJS Hotels Limited

Umesh Saraf
Director
DIN No. - 00017985

Bimal K Jhunjhunwala
Chief Financial Officer
Place: Kolkatta
Date: April 27, 2018

Padam Khaitan
Director
DIN No. - 00019700

Saumen Chatterjee
Company Secretary

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

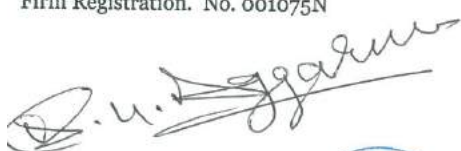
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

			Amount in ₹
	Note	Year ended 31.03.2018	Year ended 31.03.2017
Revenue			
I Revenue from operations		-	-
II Other income	15	76,046,261	230,533,192
Total income (A)		76,046,261	230,533,192
Expenses			
III Employee benefits expenses	16	1,038,729	599,791
IV Other expenses	17	182,969	232,882
Total Expenses (B)		1,221,698	832,673
V Profit before exceptional items and tax (A-B)		74,824,563	229,700,519
VI Exceptional items		-	-
Profit before tax		74,824,563	229,700,519
VII Tax Expense :			
(1) Current tax		-	132,782
(2) Deferred tax		-	(132,782)
VIII Profit for the year		74,824,563	229,700,519
IX 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		-	-
		-	-
X Total comprehensive income for the Year		74,824,563	229,700,519
XI Earnings per equity share (Face Value of Rs 10/-each)			
(1) Basic	18	6.83	20.96
(2) Diluted	18	6.83	20.96
Significant Accounting Policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For **NSBP & Co.**
Chartered Accountants
Firm Registration. No. 001075N



Deepak K. Aggarwal
Partner
Membership No. : 095541

Place: Delhi
Date: April 28, 2018



For and on behalf of the Board of Directors of GJS Hotels Limited



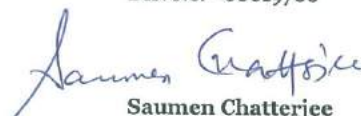
Umesh Saraf
Director
DIN No. - 00017985



Padam Khaitan
Director
DIN No. - 00019700



Bimal K. Jhunjhunwala
Chief Financial Officer
Place: Kolkatta
Date: April 27, 2018



Saumen Chatterjee
Company Secretary

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Equity Share Capital	Other Equity			Total equity attributable to equity holders of the Company
		Reserves and Surplus		Other Comprehensive Income	
		Retained earnings	Securities premium account		
As at 01.4.2016	109,610,000	(1,128,162,454)	2,236,755,000	-	1,218,202,546
Change in equity for the year ended March 31, 2016 Profit for the year	-	229,700,519	-	-	229,700,519
As at 31.3.2017	109,610,000	(898,461,935)	2,236,755,000	-	1,447,903,065
Change in equity for the year ended March 31, 2017 Profit for the year	-	74,824,563	-	-	74,824,563
As at 31.3.2018	109,610,000	(823,637,372)	2,236,755,000	-	1,522,727,628

Significant Accounting Policies

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For **NSBP & Co.**

Chartered Accountants

Firm Registration. No. 001075N



(Signature)
Deepak K. Aggarwal
Partner

Membership No. : 095541

Place: Delhi

Date: April 28, 2018

For and on behalf of the Board of Directors of GJS Hotels Limited

(Signature)
Umesh Saraf
Director

DIN No. - 00017985

Padam Khaitan

Director

DIN No. - 00019700

(Signature)
Bimal K Jhunjhunwala
Chief Financial Officer

Place: Kolkata

Date: April 27, 2018

(Signature)
Saumen Chatterjee
Company Secretary

Place: Kolkata

Date: April 27, 2018

GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amount in Rs	
	Year ended 31.03.2018	Year ended 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	74,824,563	22,700,519
Adjustments to reconcile profit before tax to net cash flows		
Interest income	(76,046,261)	(230,533,192)
Operating (loss)/profit before working capital changes	(1,221,698)	(832,673)
Other financial liabilities	8,164	(7,275)
Other current liabilities	20	(510)
Cash generated from operations	(1,213,514)	(840,458)
Direct taxes	155,000	250,312
Net Cash generated from/(used in) Operations	(1,368,514)	(1,090,770)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from redemption of debentures	-	500,000,000
Received fractional amount on conversion of preference shares into equity shares	-	25
Capital Expenditure- Land Development Fees	(596,524)	-
Interest received on investments	2,945,000	2,245,903
Other Non Current Assets	(250,000)	-
Net Cash flow from/(used in) Investing Activities	2,098,476	502,245,928
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	2,140,000	631,200
Repayment of short-term borrowings	(2,500,000)	(501,845,000)
Net cash flow from/(used in) Financing Activities	(360,000)	(501,213,800)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	369,962	(58,642)
Cash and cash equivalents at the beginning of the year	16,392	75,034
Cash and cash equivalents at the end of the year	386,354	16,392

Significant Accounting Policies

Notes

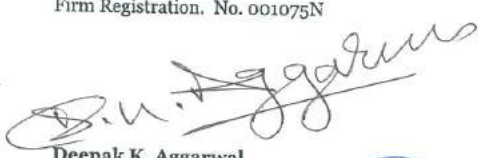
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1. Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS-7 specified as per Companies Act 2013
The accompanying notes form an integral part of the financial statements.
As per our report of even date attached

For **NSBP & Co.**

Chartered Accountants

Firm Registration. No. 001075N


Deepak K. Aggarwal
Partner
Membership No. : 095541

Place: Delhi
Date: April 28, 2018

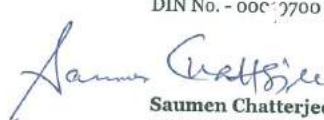


For and on behalf of the Board of Directors OF GJS Hotels Limited


Umesh Saraf
Director
DIN No. - 00017985


Bimal K. Jhunjhunwala
Chief Financial Officer
Place: Kolkatta
Date: April 27, 2018


Padam Khaitan
Director
DIN No. - 00017700


Saumen Chatterjee
Company Secretary

GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
2. PROPERTY, PLANT & EQUIPMENT

Particulars	Leasehold Land	Property & Plant	Amount in Rs Others
Gross Block (at cost)			
As at 01.04.2016	68,539,349	-	-
Additions	-	-	-
Disposals	-	-	-
As at 31.03.2017	68,539,349	-	-
Additions	-	-	-
Disposals	-	-	-
As at 31.03.2018	68,539,349	-	-
Amortisation/Depreciation			
As at 01.04.2016	-	-	-
Charge for the year	-	-	-
As at 31.03.2017	-	-	-
Charge for the year	14,130,174	-	-
As at 31.03.2018	14,130,174	-	-
Net Block			
As at 31.03.2017	68,539,349	-	-
As at 31.03.2018	54,409,175	-	-

3. CAPITAL WORK IN PROGRESS

Particulars	As at March 31, 2018	Additions	Amount in Rs As at March 31, 2017
Pre-operative expenses			
Rates & taxes	436,456	436,456	-
Travelling expense	90,068	90,068	-
Legal & professional charges	781,731	-	781,731
Miscellaneous expenses	70,000	70,000	-
Amortisation of Land	14,130,174	14,130,174	-
	15,508,429	14,726,698	781,731

4. INVESTMENTS

Particulars	As at 31.03.2018	Amount in Rs 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	708,215,106	633,718,845
	708,215,106	633,718,845
	4,681,457,634	4,606,961,373
Aggregate value of unquoted investments	4,681,457,634	4,606,961,373
Aggregate value of provision for impairment in value of investments	-	-

5. OTHER FINANCIAL ASSETS

Particulars	As at 31.03.2018	As at 31.03.2017
Non-current		
Unsecured, Considered Good		
Security deposits	2,000	2,000
	2,000	2,000
Current		
Interest accrued and due	-	1,395,000
	-	1,395,000



GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

6. DEFERRED TAX ASSETS

Particulars	As at 31.03.2018	As at 31.03.2017
Non-current		
MAT credit entitlement	351,282	351,282
	351,282	351,282

7. OTHERS NON -CURRENT ASSETS

Particulars	As at 31.03.2018	As at 31.03.2017
Non-current		
Unsecured, Considered Good		
Capital Advances	250,000	-
	250,000	-

8. CASH & CASH EQUIVALENTS

Particulars	As at 31.03.2018	As at 31.03.2017
Current		
Balances with banks in current account	377,445	8,817
Cash on hand	8,909	7,575
	386,354	16,392

9. INCOME TAX ASSETS (net)

Particulars	As at 31.03.2018	As at 31.03.2017
Current		
Income tax assets	610,312	455,312
Less: Provision for tax	352,234	352,234
	258,078	103,078

10. SHARE CAPITAL

Particulars	As at 31.03.2018	As at 31.03.2017
Authorised Shares		
14,000,000 (Previous Year 14,000,000) Equity Shares of Rs10/- each	140,000,000	140,000,000
Issued, subscribed & paid up		
10,961,000 (Previous Year 10,961,000) Equity Shares of Rs10/- each	109,610,000	109,610,000
Total	109,610,000	109,610,000

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

Equity Shares	As at 31.03.2018	As at 31.03.2017
At the beginning of the year	10,961,000	10,961,000
Changes during the Year	-	-
At the end of the year	10,961,000	10,961,000

Terms/rights attached to Equity Shares

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

The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend

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.

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:

	As at 31.03.2018		As at 31.03.2017	
	No. of shares	Amount	No. of shares	Amount
Asian Hotels (East) Limited, the Holding Company and its Nominees				
109,61,000 equity shares of Rs 10 each fully paid	10,961,000	109,610,000	10,961,000	109,610,000

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

Equity shares	% of Holding	As at 31.03.2018 No. of Shares	As at 31.03.2017 No. of Shares
Asian Hotels (East) Limited and its Nominees	100%	10,961,000	10,961,000

11. OTHER EQUITY

Particulars	As at 31.03.2018	As at 31.03.2017
Securities premium reserve	2,236,755,000	2,236,755,000
Retained earnings	(823,637,372)	(898,461,935)
	1,413,117,628	1,338,293,065



GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
12. BORROWINGS

Particulars	As at 31.03.2018	As at 31.03.2017
Current		
Unsecured, repayable on demand		
Loan from related party (holding company, interest free)	3,229,844,800	3,230,204,800
	<u>3,229,844,800</u>	<u>3,230,204,800</u>

13. OTHER FINANCIAL LIABILITIES

Particulars	As at 31.03.2018	As at 31.03.2017
Current		
Expenses payable	46,634	38,470
	<u>46,634</u>	<u>38,470</u>

14. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2018	As at 31.03.2017
Current		
Statutory Dues	3,890	3,870
	<u>3,890</u>	<u>3,870</u>

15. OTHER INCOME

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Interest income on debentures	1,550,000	1,795,903
Finance income (unwinding) on debentures	74,496,261	119,639,519
Finance income (unwinding) on preference shares	-	109,097,770
Liabilities written back	-	-
	<u>76,046,261</u>	<u>230,533,192</u>

16. EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Salaries and wages	1,014,894	575,114
Staff welfare expenses	23,835	24,677
	<u>1,038,729</u>	<u>599,791</u>

17. OTHER EXPENSES

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
Travelling and conveyance	53,778	106,384
Payment to auditor		
Audit Fees	35,000	35,000
Taxes on Fees	7,050	5,250
Certification fees	5,000	
Rates and taxes	2,500	2,500
Legal & professional expenses	37,600	21,513
Lease rent	2,100	2,100
Filing fees	2,489	10,244
Printing & stationery	7,195	1,310
Telephone expenses	12,967	13,396
Miscellaneous expenses	17,290	25,185
	<u>182,969</u>	<u>232,882</u>

18. EARNINGS PER SHARE

Particulars	Note	Year Ended 31st March 2018	Year Ended 31st March 2017
(i) Profit available for Equity Shareholders		74,824,563	229,700,519
(ii) Weighted average number of Equity Shares @ Rs 10 each		10,961,000	10,961,000
(iii) Basic Earnings per share (R)		6.83	20.96
(iv) Diluted Earnings per share (R)		6.83	20.96
(v) Face Value per share		10.00	10.00



GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

19. In accordance with the Accounting Standard on "Related Party Disclosures" (Ind AS-24), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows: -

Related Party Disclosures**(i) List of Related Parties**

(a) Holding Company :

Asian Hotels (East) Limited

(b) Subsidiary Company :

Robust Hotels Private Limited

(c) Fellow Subsidiary Company :

Regency Convention Centre and Hotels Limited

(c) Entities over which directors or their relatives can exercise significant influence/control :

- | | |
|--|---|
| (i) Samra Importex Private Limited | (xiv) Triumph Realty Pvt. Ltd. |
| (ii) Unison Hotels Private Limited | (xv) Nepal Travel Agency Pvt. Ltd., Nepal |
| (iii) Vedic Hotels Limited | (xvi) Yak & Yeti Hotels Limited, Nepal |
| (iv) Unison Power Limited | (xvii) Taragaon Regency Hotels Limited, Nepal |
| (v) Unison Hotels South Private Limited | (xviii) Saraf Industries Limited, Mauritius |
| (vi) Juniper Hotels Private Limited | (xx) Saraf Hotels Limited, Mauritius |
| (vii) Juniper Investments Limited | (xxi) Saraf Investments Limited, Mauritius |
| (viii) Chartered Hotels Pvt. Ltd. | |
| (ix) Blue Energy Private Limited | |
| (x) Footsteps of Buddha Hotels Private Limited | |
| (xi) Chartered Hampi Hotels Pvt. Ltd. | |
| (xii) Sara Hospitality Limited, Hong Kong | |
| (xiii) Sara International Limited, Hong Kong | |

(ii) Details of transactions with related parties during the year :

Transactions	31st March 2018	31st March 2017
Interest on Debentures from Subsidiary Company	76,046,261	121,435,422
Interest on Preference shares from Subsidiary Company	-	109,097,770
Interest Accrued on Debentures from Subsidiary Company	-	1,550,600
Investment made by Holding Company in Share Capital & Securities Premium		
During the year	-	-
Closing balance	2,346,365,000	2,346,365,000
Investment in Equity Shares of Subsidiary Company		
Opening balance	3,973,242,528	2,045,848,608
Conversion of preference share into equity shares during the year	-	1,927,393,920
Closing balance	3,973,242,528	3,973,242,528
Investment in Preference Shares of Subsidiary Company		
Opening balance	-	1,818,296,175
Interest (unwinding) during the year	-	109,097,770
Conversion into equity shares during the year	-	(1,927,393,920)
Redemption during the year	-	-25
Closing balance	-	-
Investment in Non Convertible Debenture of Subsidiary Company		
Opening balance	633,718,845	1,014,079,326
Interest (unwinding) during the year	74,496,261	119,639,519
Redemption during the year	-	(500,000,000)
Closing balance	708,215,106	633,718,845
Advances taken from Holding Company		
Opening balance	3,230,204,800	3,731,418,600
Taken/(repaid) during the year	(360,000)	(501,213,800)
Closing balance	3,229,844,800	3,230,204,800

20. The loans outstanding to Holding Company carrying no interest and repayable on demand as at 31st March 2018 :

	Maximum amount outstanding during the year	
Holding Company	31st March 2018	31st March 2017
Asian Hotels (East) Limited	3,231,844,800	3,731,418,600
	Outstanding as on	
Holding Company	31st March 2018	31st March 2017
Asian Hotels (East) Limited	3,229,844,800	3,230,204,800



GJS HOTELS LIMITED
CIN: U55101WB2002PLC160608
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018
21. FINANCIAL INSTRUMENTS
Financial instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2018 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in Rs
					Total Fair Value
Assets:					
Investments					
Debentures	708,215,106	-	-	708,215,106	708,215,106
Preference Shares	-	-	-	-	-
Cash & cash equivalents	386,354	-	-	386,354	386,354
Other financial assets	2,000	-	-	2,000	2,000
Total	708,603,460	-	-	708,603,460	708,603,460
Liabilities:					
Borrowings	3,229,844,800	-	-	3,229,844,800	3,229,844,800
Other financial liabilities	46,634	-	-	46,634	46,634
Total	3,229,891,434	-	-	3,229,891,434	3,229,891,434

The carrying value and fair value of financial instruments by categories as on March 31, 2017 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in Rs
					Total Fair Value
Assets:					
Investments					
Debentures	633,718,845	-	-	633,718,845	633,718,845
Preference Shares	-	-	-	-	-
Cash & cash equivalents	16,392	-	-	16,392	16,392
Other financial assets	1,397,000	-	-	1,397,000	1,397,000
Total	635,132,237	-	-	635,132,237	635,132,237
Liabilities:					
Borrowings	3,230,204,800	-	-	3,230,204,800	3,230,204,800
Other financial liabilities	38,470	-	-	38,470	38,470
Total	3,230,243,270	-	-	3,230,243,270	3,230,243,270

Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of the inputs used in determining the fair values, the company has classified its financial instruments into the three levels prescribed under accounting standards. An explanation of each level follows underneath the table:

Level 1: Includes financial instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2: Includes financial instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2018:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
Debentures	708,215,106	-	-	708,215,106
Preference Shares	-	-	-	-
Other financial assets	2,000	-	-	2,000
Total	708,217,106	-	-	708,217,106
Liabilities:				
Borrowings	3,229,844,800	-	-	3,229,844,800
Other financial liabilities	46,634	-	-	46,634
Total	3,229,891,434	-	-	3,229,891,434

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2017:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
Debentures	633,718,845	-	-	633,718,845
Preference Shares	-	-	-	-
Other financial assets	1,397,000	-	-	1,397,000
Total	635,115,845	-	-	635,115,845
Liabilities:				
Borrowings	3,230,204,800	-	-	3,230,204,800
Other financial liabilities	38,470	-	-	38,470
Total	3,230,243,270	-	-	3,230,243,270

The carrying amount of other financial assets, borrowings and expenses payable are considered to be the same as their fair value due to their short term nature and are close approximation of fair value.

The Company's investment in the equity shares of its subsidiaries is recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries, associates and joint ventures as deemed cost as on the date of transition to Ind AS.

The Company's investment in debentures of the subsidiaries have been valued at amortized cost using effective interest rate method.



GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**22. FINANCIAL RISK MANAGEMENT****Financial risk factors**

The Company's activities expose it to liquidity risk and credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company maintains sufficient cash and cash equivalent to manage its operating requirements. The Company has the financial support and call for additional loan from Asian Hotels (East) Limited, the holding company, to settle to its financial liabilities when they fall due for repayment.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2018:

Particulars	Less than 6 months	6 months to 1 year	1 - 5 years	Amount in Rs Total
Borrowings				
Other financial liabilities	46,634	-	3,229,844,800	3,229,844,800 46,634

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2017:

Particulars	Less than 6 months	6 months to 1 year	1 - 5 years	Amount in Rs Total
Borrowings				
Other financial liabilities	38,470	-	3,230,204,800	3,230,204,800 38,470

Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, cash and cash equivalents and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

The maximum exposure of financial asset to credit risk are as follows :

Particulars	Amount in Rs 31st March 2018	Amount in Rs 31st March 2017
Investments	4,681,457,634	4,606,961,373
Other financial assets	4,000	1,399,000
Cash & cash equivalents	386,354	16,392

23. CAPITAL MANAGEMENT

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders.

The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximise the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows :

Particulars	Amount in Rs 31st March 2018	Amount in Rs 31st March 2017
Net debt	3,229,844,800	3,230,204,800
Total net debt and equity	4,752,572,428	4,678,107,865
Gearing Ratio	67.96%	69.05%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

24. There is no Contingent liabilities as on 31st March 2018 (Previous Year - Nil).

25. The Estimated amount of Capital Contracts pending to be executed is of Rs 930,000 under the Head Fixed Asset as on 31.03.2018 (Previous Year - NIL). Other commitments- Nil (Previous year - NIL)

26. No amount is due to Micro, Small and Medium enterprises (identified on the basis of information made available during the year by such enterprises to the Company). No interest in terms of Micro, Small and Medium Enterprises Development Act, 2006 has been either paid or accrued during the year.

27. The Company has filed drawings with Bhubaneswar Municipal Corporation (BMC) for its hotel project on the leasehold land. The sanction of the drawing is awaited. Further in view of expiry of lease extension granted by the General Administration (GA) Department, Government of Odisha, the Company has written to it requesting for lease extension to undertake the project. The Company is yet to get the extension from the Government and has been actively following up with the Department. The Company is hopeful of a positive response.

28. The Company is not liable for Provident Fund and/or any other retirement benefit for its employees under the relevant applicable Laws, Rules & Regulations.

29. The Company does not have more than one reportable segment in accordance with the principle outlined in Ind AS 108, "Operating Segment", the disclosure requirements on Operating Segment is not applicable. The Company operates presently only in India. Thus there is no geographical segment apart from India.



GJS HOTELS LIMITED

CIN: U55101WB2002PLC160608

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

30. (a) The Company holds Equity shares, Debentures & Cumulative Redeemable Optional Convertible Preference Shares (Securities) in its subsidiary Robust Hotels Pvt Ltd. (RHPL) valued at cost of Rs.204,58,48,608/-, Rs.205,00,00,000/- and Rs.192,73,93,945/- respectively i.e aggregating to Rs.602,32,42,553/- as on 31st March 2016 being the appointed date. These Securities form part of investment division of the Company. Pursuant to section 230 of the Companies Act, 2013 and other provisions applicable, the Company has filed on 31st October 2017 a Scheme of Arrangement, merging its investment division with its holding company, Asian Hotels (East) Limited (AHEL) before NCLT, Kolkata Bench. The said Scheme also provides for reorganization of the Securities of RHPL. Pursuant to Sections 230 and 232 of the Companies Act, 2013, the Board of Directors of the Company has approved the Scheme of Arrangement on 10th February, 2017. Consequent to this scheme, all the Securities held by the Company in its subsidiary RHPL will stand transferred to AHEL and RHPL will become a direct wholly owned subsidiary of AHEL. The Scheme is subject to requisite statutory approvals, including sanction by the National Company Law Tribunal (NCLT) and approval of the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), wherein AHEL Shares are listed. As on the date of signing of these financials, no adverse observations or comments have been received by AHEL from Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

(b) Subsequent to the Scheme becoming effective, in the books of the Company, 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 & loss Account of the Company 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 the Company by cancelling 1,07,30,978 Equity Shares of Rs 10- each in the Share capital of the Company. After taking effect of the Scheme, the net worth of the Company will become negative which will raise the issue about the Company being a going concern. and a letter of comfort has been provided by the holding company namely AHEL, as a commitment to support the company financially. Considering the above, the financial statements have been prepared on a going concern basis.

(c) The structure of the scheme tends to reflect a reduction in the cancellation of the shares of RHPL. As a matter of abundant caution the management of the Company has obtained a fair valuation report as on 31st March 2018 of the shares of RHPL. Based on this valuation report, no provision is required for diminution in the value of investments as on the balance sheet date.

31. Derivative instruments and foreign currency exposures.

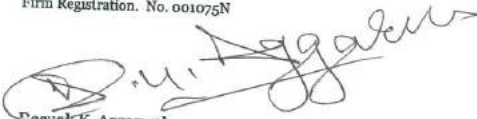
a) Foreign currency exposure outstanding as at the balance sheet date is Nil (previous year Nil).

b) Particulars of un-hedged foreign currency exposures as at the balance sheet date is Nil (previous year Nil).

32. The previous year figures have been regrouped/reclassified, wherever considered necessary to confirm the current year classification.

As per our report of even date attached

For NSBP & Co.
Chartered Accountants
Firm Registration. No. 001075N


Deepak K. Aggarwal
Partner
Membership No. : 095541

Place: Delhi
Date: April 28, 2018

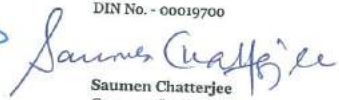


For and on behalf of the Board of Directors of GJS Hotels Limited


Umesh Saraf
Director
DIN No. - 00017985


Padam Khaitan
Director
DIN No. - 00019700


Bimal K Jhunjhunwala
Chief Financial Officer
Place: Kolkata
Date: April 27, 2018


Saumen Chatterjee
Company Secretary

ASIAN HOTELS (EAST) LIMITED
CIN: L15122WB2007PLC162762
BALANCE SHEET AS AT 31.03.2018

Particulars	Note	As at 31.03.2018	Amount in Rs As at 31.03.2017
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	1,122,545,879	1,160,845,560
(b) Intangible Assets	2	2,548,811	946,639
(c) Capital work in progress	3	614,290	90,450
(d) Financial assets			
(i) Investments	4	3,807,375,872	3,773,867,363
(ii) Other financial assets	5	11,418,065	11,537,025
(e) Income tax assets (net)	6	94,723,649	85,501,434
(f) Other non-current assets	7	-	274,879
		<u>5,039,226,556</u>	<u>5,033,063,350</u>
(2) Current assets			
(a) Inventories	8	24,112,124	26,366,280
(b) Financial assets			
(i) Investments	4	461,132,898	664,449,739
(ii) Trade receivables	9	65,325,679	57,612,270
(iii) Cash and cash equivalents	10	203,476,202	49,685,412
(iv) Loans	11	3,500,329,617	3,277,975,549
(v) Other financial assets	5	16,849,231	12,166,013
(c) Other current assets	7	39,421,429	25,748,700
		<u>4,310,347,180</u>	<u>4,113,903,953</u>
Total Assets		<u>9,349,573,736</u>	<u>9,146,967,313</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	115,277,970	115,277,970
(b) Other equity	13	<u>8,911,630,434</u>	<u>8,770,056,839</u>
		<u>9,026,908,404</u>	<u>8,885,334,809</u>
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	15	1,863,000	1,574,000
(b) Provisions	16	15,398,590	19,877,612
(c) Deferred tax liabilities (net)	17	<u>73,869,897</u>	<u>102,166,952</u>
		<u>90,131,487</u>	<u>123,618,564</u>
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
- Total outstanding dues of Micro, Small and Medium Enterprise	14	552,518	276,700
- Total outstanding dues of creditors other than Micro, Small and Medium Enterprise		39,684,166	30,409,930
(ii) Other financial liabilities	15	98,438,968	74,114,916
(b) Provisions	16	7,407,482	3,091,294
(c) Other current liabilities	18	<u>86,450,716</u>	<u>30,121,100</u>
		<u>232,533,850</u>	<u>138,013,940</u>
Total Equity & Liabilities		<u>9,349,573,736</u>	<u>9,146,967,313</u>

The accompanying notes form an integral part of the standalone financial statements.

For Singh & Co.
Chartered Accountants
Firm Registration. No. 302049E

Rajiv Singh

Rajiv Singh
Partner
Membership No. : 053518
Place : Chennai
Date: 9th May 2018

Arun Kr Saraf
Arun Kr Saraf
Jt. Managing Director
DIN - 00339772

A.C Chakraborti
A.C Chakraborti
Director
DIN - 00015622

Padam Kr Khaitan
Padam Kr Khaitan
Director
DIN - 00019700

Himal Kr Jhunjunwala
Himal Kr Jhunjunwala
CFO & Vice President- Corporate Finance

Umesh Saraf
Umesh Saraf
Jt. Managing Director
DIN 00019986

Rama Shashik Jhawar
Rama Shashik Jhawar
Director
DIN - 00023792

Rita Shrivastava
Rita Shrivastava
Director
DIN - 07106069

Saumen Chatterjee
Saumen Chatterjee
Chief Legal Officer &
Company Secretary



ASIAN HOTELS (EAST) LIMITED

CIN: L45122WB2007PLC162762

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

Particulars	Note	Amount in Rs	
		Year ended 31.03.2018	Year ended 31.03.2017
I Revenue from operations	19	1,021,395,820	983,179,371
II Other income	20	56,073,325	87,927,684
III Total income		1,077,469,145	1,071,107,055
IV Expenses			
Consumption of provisions, beverages, smokes & others	21	139,396,221	132,022,685
Employee benefits expenses	22	194,406,126	200,292,418
Finance cost	23	-	5,005,323
Depreciation and amortization expenses	2	54,360,077	63,779,181
Other expenses	24	501,901,593	467,489,988
Total expenses		890,054,017	868,589,595
V Profit / (loss) before exceptional items and tax		187,405,128	202,517,460
VI Exceptional items		-	33,623,719
VII Profit / (loss) before tax		187,405,128	168,893,741
VIII Tax expense	25		
(1) Current tax		68,912,626	52,331,941
(2) Deferred tax		(30,262,660)	(12,189,422)
(3) MAT Credit		-	-
(4) Tax for earlier years		1,325,746	(826,826)
IX Profit / (loss) for the period		147,429,416	129,578,048
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		(1,040,641)	(24,686)
Equity instruments through other comprehensive income		22,573,846	22,806,801
(ii) Income tax relating to items that will not be reclassified to profit or loss		360,145	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		-	-
XI Total comprehensive income for the period		21,893,350	22,790,658
XII Earnings per equity share		169,322,766	152,368,706
(1) Basic	26	12.79	11.28
(2) Diluted	26	12.79	11.28

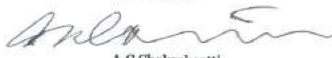
The accompanying notes form an integral part of the standalone financial statements.

 For Singhi & Co.
Chartered Accountants
Firm Registration. No. 302049E


Rajiv Singh
Partner
Membership No. : 053518

 Place : Chennai
Date: 9th May 2018

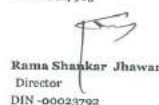

Arun Kr Saraf
Jt.Managing Director
DIN - 00339772


A.C Chakraborti
Director
DIN - 00015622

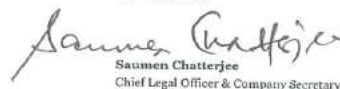

Padam Kr Khaitan
Director
DIN - 00019700


Binai Kr Jhunjhunwala
CFO & Vice President- Corporate Finance


Umesh Saraf
Jt.Managing Director
DIN 00017985


Rama Shankar Jhawar
Director
DIN -00023792


Rita Bhimani
Director
DIN - 07106069


Saumen Chatterjee
Chief Legal Officer & Company Secretary


ASIAN HOTELS (EAST) LIMITED

CIN: L45122WB2007PLC162762

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2018

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	
As at 01.4.2016	114,405,850	2,369,461,550	6,462,174,116	14,612,822	2,000,000	141,043	-	8,957,099,615
Change in equity for the year ended March 31, 2017								
Shares issued 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	-	-						-
Equity instruments through OCI	-	-						-
Share premium reserve utilised on cancellation of shares	-	-						-
Addition on account of merger	-	260,930,829	-983,253,246	-14,612,822	-	-	22,806,801	-16,143
Profit transferred to general reserve	-	-15,000,000	121,611,685	-	-	417,857,160	-	22,806,801
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	8,885,334,809
Change in equity for the year ended March 31, 2018								
Profit for the period	-	147,429,416	-	-	-	-	-	147,429,416
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	-	-	-	-	-	-	-	-
Profit transferred to general reserve	-	-15,000,000	15,000,000	-	-	-	22,573,846	-680,496
As at 31.3.2018	115,277,970	2,816,111,434	5,630,532,555	-	2,000,000	417,998,203	45,380,647	22,573,846
								9,026,908,404

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Rajiv Singhi
Partner

Membership No. : 053518
Place : Chennai
Date: 9th May 2018

Arun Kr Saraf
Jt. Managing Director
DIN - 00339772

A.C Chakraborti
Director
DIN - 00045622

Padam Kr Khaitan
Director
DIN - 00019700

Samir Chatterjee
Chief Legal Officer & Company Secretary

Umesh Saraf
Jt. Managing Director
DIN - 00017985

Rama Shankar Jhawar
Director
DIN - 00023792

Rita Bhimani
Director
DIN - 07106069

Samir Chatterjee
Chief Legal Officer & Company Secretary

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	187,405,128	168,893,741
Adjustment for:		
Depreciation/amortization	54,360,077	63,779,181
Loss/(profit) on sale of fixed assets (Net)	346,820	328,620
Interest expense	-	5,005,221
Other borrowing cost	-	-
Provision for bad and doubtful debts	0	1,199,223
Excess provision written back	(1,594,862)	(1,214,300)
Provision for gratuity	242,543	2,272,004
Provision for leave encashment	(1,446,018)	1,462,669
Interest income	(21,702,877)	(20,862,097)
Dividend income	(17,290,167)	(11,542,125)
Assets written off (Non cash item)	1,634,316	33,623,719
Net gain on current investments	-	(24,142,469)
Fair value gain on mutual funds	(14,908,913)	(29,916,633)
Operating profit before working capital changes	187,046,047	188,886,694
Movements in working capital:		
Increase/(decrease) in current trade payables	9,550,054	(3,637,541)
Increase/(decrease) in non-current trade payables	-	-
Increase/(decrease) in other current financial liabilities	24,233,113	(53,970,347)
Increase/(decrease) in other non-current financial liabilities	289,000	(653,500)
Increase/(decrease) in other current liabilities	56,329,619	2,112,034
Decrease/(increase) in trade receivables	(6,118,547)	(4,131,397)
Decrease/(increase) in inventories	2,254,156	(7,894,824)
Decrease/(increase) in non-current financial assets	118,970	-
Decrease/(increase) in non-current loans	-	116,999
Decrease/(increase) in current loans	215,932	32,200
Decrease/(increase) in other assets	(13,972,729)	7,314,579
Cash generated from/(used in) operations	260,245,611	128,174,897
Less: Direct taxes paid	78,134,841	58,240,321
Net cash flow from/(used in) Operating Activities (A)	182,110,770	69,934,576
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for fixed assets	(19,773,760)	(7,727,581)
Decrease/(Increase) in capital work in progress	(523,840)	477,132
Decrease/(Increase) in capital advance	274,879	(41,045)
Proceeds from sale of fixed assets	130,037	94,276
Purchase of non current investments	(10,934,664)	(1,213,017,125)
Proceeds from sale/maturity of current investments	218,225,754	2,555,512,037
Non-current loans given/(repaid)	(222,570,000)	597,212,800
Interest received	17,019,659	22,694,426
Dividend received	17,290,167	11,542,125
Net cash flow from/(used in) Investing Activities (B)	(861,748)	1,966,747,045
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(2,004,474,259)
Proceeds from borrowings	-	-
Interest paid on borrowings	-	(5,005,221)
Payment of other borrowing cost	-	-
Dividend paid on shares	(22,964,655)	(22,449,960)
Tax on dividend paid	(4,693,577)	(4,658,068)
Net cash flow from/(used in) in Financing Activities (C)	(27,658,232)	(2,036,587,508)
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)	153,590,790	94,113
Cash and Cash Equivalents at the beginning of the year	49,585,412	49,491,299
Cash and Cash Equivalents at the end of the year	203,176,202	49,585,412

For Singh & Co.
Chartered Accountants
Firm Registration. No. 302049E

Rajiv Singh

Rajiv Singh
Partner
Membership No.: 053518
Place: Chennai
Date: 9th May 2018



Arun Kr Saraf

Arun Kr Saraf
Jt. Managing Director
DIN - 00339772

A.C. Chakraborti

A.C. Chakraborti
Director
DIN - 00015622

Padam Kr Khaitan

Padam Kr Khaitan
Director
DIN - 00019700

Bhaskar Jha
Bhaskar Jha
CFO & Vice President- Corporate Finance

Umesh Saraf

Umesh Saraf
Jt. Managing Director
DIN 00017985

Rama Shankar Jha

Rama Shankar Jha
Director
DIN - 00021792

Rita Bhimani

Rita Bhimani
Director
DIN - 07106069

Saumen Chatterjee
Saumen Chatterjee
Chief Legal Officer & Company Secretary

ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
2. PROPERTY, PLANT & EQUIPMENT & INTANGIBLE ASSETS

Tangible Assets	Leaschold Land	Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Amount in Rs Total
Gross Block (at cost)						
As at 01.04.2016	267,042,819	999,017,100	738,809,910	182,548,417	9,185,489	2,196,603,735
Additions	-	1,706,231	3,197,379	2,048,832	-	6,952,442
Disposals	-	-	123,924,086	18,007,990	-	141,932,076
As at 31.03.2017	267,042,819	1,000,723,331	618,083,203	166,589,259	9,185,489	2,061,624,101
Additions	-	1,624,526	4,130,006	12,158,048	-	17,914,580
Disposals	-	1,634,316	182,624	471,384	-	2,288,324
As at 31.03.2018	267,042,819	1,000,715,541	622,030,585	178,275,923	9,185,489	2,077,250,357
Depreciation						
As at 01.04.2016	-	212,650,660	575,638,532	164,575,082	7,883,041	960,747,305
Charge for the year	-	16,250,187	45,577,775	1,529,959	333,224	63,691,145
Disposals	-	-	106,606,950	17,052,959	-	123,659,909
As at 31.03.2017	-	228,900,837	514,609,357	149,054,082	8,216,265	900,778,541
Charge for the year	-	15,792,331	36,033,191	1,944,325	333,222	54,103,069
Disposals	-	-	173,493	3,639	-	177,132
As at 31.03.2018	-	244,693,168	550,469,055	150,992,768	8,549,487	954,704,478
Net Block						
As at 31.03.2017	267,042,819	771,822,494	103,473,846	17,537,177	969,224	1,160,845,560
As at 31.03.2018	267,042,819	756,022,373	71,561,530	27,283,155	636,002	1,122,545,879

Intangible Assets	Softwares
Gross Block (at cost)	
As at 01.04.2016	7,097,307
Additions	775,139
Disposals	-
As at 31.03.2017	7,872,446
Additions	1,859,180
Disposals	-
As at 31.03.2018	9,731,626
Depreciation	
As at 01.04.2016	6,837,771
Charge for the year	88,036
Disposals	-
As at 31.03.2017	6,925,807
Charge for the year	257,008
Disposals	-
As at 31.03.2018	7,182,815
Net Block	
As at 31.03.2017	946,639
As at 31.03.2018	2,548,811

3. CAPITAL WORK IN PROGRESS

Particulars	Building	Plant & Equipment	Furniture & Fixtures	Amount in Rs Total
As at 01.04.2016				
Additions	16,342,029	-	-	16,342,029
Deductions	-	-	-	-
As at 31.03.2017	16,251,579	-	-	16,251,579
Additions	90,450	-	-	90,450
Deductions	1,170,768	5,845,470	-	7,016,238
As at 31.03.2018	646,928	5,845,470	-	6,492,398
	614,290	-	-	614,290

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

4. INVESTMENTS

Particulars	Amount in Rs	
	Non - current	
	As at 31.03.2018	As at 31.03.2017
Unquoted		
Investment in Equity Shares carried at cost		
Investment in equity shares of subsidiary - GJS Hotels Limited		
10,961,000 (previous year: 10,961,000) equity shares of Rs 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 Rs 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 Rs 10/- each fully paid up	257,901,724	357,901,724
	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 Rs 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 Rs 10/- each fully paid up	137,560,088	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 Rs 1000/-each	150,000,000	150,000,000
	287,560,088	254,051,579
	3,807,375,872	3,773,867,363
Aggregate value of quoted investments	287,560,088	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		

4. INVESTMENTS

Particulars	Amount in Rs			
	Current			
	As at 31.03.2018 No. of units	As at 31.03.2017 No. of units	As at 31.03.2018 Rs	As at 31.03.2017 Rs
Unquoted, fully paid up				
Investment carried at FVTPL				
Investment in units of mutual funds (face value (FV) of Rs 10 each, unless otherwise stated)				
Aditya Birla Sun Life Cash Plus - DDR	805,494	-	80,768,621	-
Franklin India Ultra Short Bond Fund-SIP-DDR	941,561	-	9,488,863	-
ICICI Prudential Flexible Income Plan-Daily Dividend Reinvestment	-	1,887,958	-	199,625,766
ICICI Prudential Savings Fund - Daily Dividend Reinvestment	-	1,014,163	-	102,862,505
UTI Short Term Income Fund-Institutional Plan - Growth	13,007,280	13,007,280	274,743,677	259,345,659
UTI Treasury Advantage Fund - Instt.-Plan-Daily Dividend Reinvestment (FV Rs 1000)	95,909	102,368	96,131,737	102,615,809
			461,132,898	664,449,739
			461,132,898	664,449,739
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			461,132,898	664,449,739
Aggregate amount of adjustments to impairment in value of investments			-	-

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
5. OTHER FINANCIAL ASSETS

Particulars	Amount in Rs	
	Non - current	
	As at 31.03.2018	As at 31.03.2017
Security deposits	11,418,055	11,537,025
	11,418,055	11,537,025
Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Interest accrued but not due	12,056,423	12,166,013
Interest accrued and due	4,792,808	-
	16,849,231	12,166,013

6. INCOME TAX ASSETS (net)

Particulars	Amount in Rs	
	Non - current	
	As at 31.03.2018	As at 31.03.2017
Income tax assets	492,052,924	413,918,083
Less: Provision for taxes	397,329,275	328,416,649
	94,723,649	85,501,434

7. OTHER ASSETS

Particulars	Amount in Rs	
	Non-current	
	As at 31.03.2018	As at 31.03.2017
Capital advance	-	274,879
	-	274,879
Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Advance to suppliers	14,118,837	8,172,669
Prepaid expenses	19,926,298	10,484,655
Balance with statutory authorities	5,376,294	7,091,376
	39,421,429	25,748,700

8. INVENTORIES

Particulars	Amount in Rs	
	Non-current	
	As at 31.03.2018	As at 31.03.2017
(valued at cost or net realisable value whichever is lower)		
Food, Liquor & Tobacco	21,389,268	23,882,128
General Stores and Spares	2,722,856	2,484,152
	24,112,124	26,366,280

9. TRADE RECEIVABLES

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Trade Receivables		
- Unsecured, considered good	63,707,448	57,612,270
- Doubtful	1,716,265	1,618,231
	65,423,713	59,230,501
- Less: allowance for bad & doubtful debts	98,034	1,618,231
	65,325,679	57,612,270
	65,325,679	57,612,270

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
10. CASH & CASH EQUIVALENTS

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Balance with banks		
In current accounts	177,713,240	23,804,844
In fixed deposit accounts *	20,000,000	20,000,000
In unpaid dividend accounts**	4,505,855	4,414,916
Cash on hand	957,107	1,023,006
Cheques on hand	-	342,646
	<u>203,176,202</u>	<u>49,585,412</u>

* 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.

**Transfer of unclaimed dividend and shares to the IEPF

Pursuant to the provisions of Section 124 & 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), Rs. 4,09,623/- and 73,623 shares have been transferred to the IEPF for the dividend declared in the financial year ended 2009-10 and the respective shares whose dividend remained unpaid or unclaimed for seven consecutive years. Further, Rs. 12,390/- and its respective 4,130 shares being restrained shares could not be transferred to the IEPF pursuant to Rule 6(3)(b) of the Rules, the due date of transfer of which was November 4, 2017.

11. LOANS

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Loans/advance to subsidiary companies		
GJS Hotels Limited	3,229,844,800	3,230,204,800
Regency Convention Centre and Hotels Limited	14,400,474	13,970,474
Robust Hotels Pvt. Ltd.*	222,500,000	-
Other loans and advances		
Advance for acquisition of shares from shareholders of Regency Convention Centre & Hotels	33,448,275	33,448,275
Employee advance	136,068	352,000
	<u>3,500,329,617</u>	<u>3,277,975,549</u>

12. SHARE CAPITAL

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Authorised Shares		
90,000,000 Equity shares of Rs 10/- each	900,000,000	900,000,000
1,000,000 Preference shares of Rs 10/- each	10,000,000	10,000,000
Issued, subscribed & paid up		
11,527,797 (previous year: 11,527,797) Equity Shares of Rs 10/- each	115,277,970	115,277,970
Total	<u>115,277,970</u>	<u>115,277,970</u>

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

Equity Shares	Amount in Rs	
	As at 31.03.2018	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	<u>11,527,797</u>	<u>11,527,797</u>

Terms/rights attached to Equity Shares

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

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.

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

Equity shares	As at		As at 31.03.2018	As at 31.03.2017
	31.03.2018	31.03.2017		
	% of Holding	% of Holding	No. of Shares	No. of Shares
Saraf Industries Limited	31.49%	31.49%	3,630,630	3,630,630
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

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
13. OTHER EQUITY

Particulars	Amount in Rs	
	As at 31.03.2018	As at 31.03.2017
Capital reserve	417,998,203	417,998,203
Capital redemption reserve	2,000,000	2,000,000
General reserve	5,630,532,555	5,615,532,555
Retained earnings	2,816,111,434	2,711,431,189
FVTOCI reserve	44,988,242	23,094,892
	<u>8,911,630,434</u>	<u>8,770,056,839</u>

14. TRADE PAYABLES

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Trade payables (refer note no 38 for details of dues of micro & small enterprises)	40,236,684	30,686,630
	<u>40,236,684</u>	<u>30,686,630</u>
Classification as required by MSME Act		
Total Outstanding dues of Micro Enterprises and Small Enterprises*	552,518	276,700
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	39,684,166	30,409,930
Total Trade Payables	<u>40,236,684</u>	<u>30,686,630</u>

* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 (MSME Act) are based on information made available to the Company. Neither was there any delay in payment nor is any interest due and remaining unpaid on the above.

15. OTHER FINANCIAL LIABILITIES

Particulars	Amount in Rs	
	Non-Current	
	As at 31.03.2018	As at 31.03.2017
Security deposit	1,863,000	1,574,000
	<u>1,863,000</u>	<u>1,574,000</u>
Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Current maturities of long term debt	-	-
Salary payable	10,979,904	10,568,892
Contract Payroll Payable	7,586,997	9,356,314
Unpaid dividends	4,505,855	4,414,916
Expenses payable	75,306,212	49,714,794
Security deposit	60,000	60,000
	<u>98,438,968</u>	<u>74,114,916</u>

16. PROVISIONS

Particulars	Amount in Rs	
	Non-Current	
	As at 31.03.2018	As at 31.03.2017
Provision for gratuity	12,356,726	15,302,754
Provision for leave benefits	3,041,864	4,574,858
	<u>15,398,590</u>	<u>19,877,612</u>
Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Provision for gratuity	6,496,731	2,267,519
Provision for leave benefits	910,751	823,775
	<u>7,407,482</u>	<u>3,091,294</u>

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018**17. DEFERRED TAX LIABILITIES**

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Deferred tax liabilities		
On fiscal allowances of fixed assets	147,984,304	174,283,094
On Fair value gain on current investments	4,341,475	-
	152,325,779	174,283,094
Deferred tax assets		
On Employees' separation and retirement etc.	9,097,834	10,668,204
On Provision for doubtful debts / advances	28,547	560,037
On Provision for VAT	10,767,351	-
MAT credit entitlement	59,562,155	60,887,901
	79,455,887	72,116,142
	72,869,892	102,166,952

18. OTHER CURRENT LIABILITIES

Particulars	Amount in Rs	
	Current	
	As at 31.03.2018	As at 31.03.2017
Advance from customers	25,988,430	23,771,320
Statutory dues	60,462,286	6,349,780
	86,450,716	30,121,100

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
19. REVENUE FROM OPERATIONS

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Sale of products		
Beverages, wines and liquor	80,209,653	64,644,238
Food and smokes	412,602,001	409,102,023
	492,811,654	473,746,261
Sale of services		
Rooms	447,052,311	414,373,682
Banquet income (only rental portion)	13,267,027	23,735,321
Health & spa	28,040,847	29,414,655
Laundry & dry cleaning	16,327,246	12,923,237
Service Charge	5,551,002	11,593,651
Auto rental	7,808,010	9,543,627
Communication	1,349,322	1,235,165
Other operating revenue	9,188,401	6,613,772
	528,584,166	509,433,110
	1,021,395,820	983,179,371

20. OTHER INCOME

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Interest income from non-current investments	12,345,000	12,345,000
Interest income - others	9,357,877	8,517,097
Dividend on current investment	17,290,167	11,542,125
Net gain on sale of current investments	-	24,142,469
Net gain on foreign currency fluctuation	331,673	-
Fair value gain on current investments	14,908,913	29,916,633
Profit on sale of fixed assets	12,593	-
Excess provision written back	1,594,862	1,214,360
Miscellaneous income	232,240	250,000
	56,073,325	87,927,684

21. CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES & OTHERS

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Opening Stock	23,882,128	15,008,371
Add : Purchases	136,903,351	140,896,442
	160,785,489	155,904,813
Less : Closing Stock	21,389,268	23,882,128
	139,396,221	132,022,685

22. EMPLOYEE BENEFIT EXPENSES

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Salaries, wages & bonus	163,490,304	166,613,744
Contribution to provident & other funds	11,882,031	10,771,529
Staff welfare expenses	17,451,384	17,553,843
Recruitment & training	1,582,407	5,353,302
	194,406,126	200,292,418

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
23. FINANCE COST

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Interest on loan against securities	-	1,685,348
Interest on bank overdraft	-	64,257
Interest on inter-corporate deposit	-	3,255,616
Other borrowing costs	-	-
Interest on late payment of TDS	-	102
	-	5,005,323

24. OTHER EXPENSES

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Contract labour and service	50,423,628	47,481,007
Room, catering & other supplies	50,169,027	46,746,575
Linen & operating equipments consumption	5,138,619	5,785,139
Fuel, power & light	104,129,905	96,133,170
Repairs, maintenance & refurbishing	69,084,202	79,801,059
Satellite & television charges	394,153	459,976
Rent	19,004,549	20,572,025
Rates & taxes	52,297,131	8,065,298
Insurance	2,347,208	2,415,189
Directors' sitting fees	1,130,000	1,470,000
Legal & professional expenses	11,348,669	9,613,386
Payment to auditors	920,000	1,358,301
Printing & stationery	4,424,311	2,286,385
Guest transportation	22,543,657	23,773,829
Travelling & conveyance	10,461,632	10,022,952
Communication expenses	4,521,455	3,975,859
Technical services	36,052,653	33,084,636
Infosystems	1,005,428	-
Advertisement & publicity	21,500,074	34,840,710
Commission & brokerage	28,701,481	29,540,681
CSR expenditure	2,658,800	3,200,000
Charity & donation	61,000	286,000
Bank charges and commission	346,243	616,689
Provision for bad & doubtful debts	-	1,199,223
Net loss on foreign exchange	-	674,668
Assets written off	1,823,989	-
Loss on sale of fixed assets	359,413	328,620
Miscellaneous expenses	3,054,366	3,758,611
	501,901,593	467,489,988

25. TAX EXPENSE

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
Current Tax	68,912,626	52,331,941
Deferred Tax	-30,622,805	-12,197,965
MAT Credit (including earlier years)	-	-
Tax for earlier years	1,325,746	-826,826
Income tax expense	39,615,567	39,307,150
Profit before income tax	187,405,128	168,898,741
Enacted Tax rates in India	34.61%	34.61%
Computed expected tax expenses	64,857,167	58,450,746
Effect of non deductible expenses	-13,101,700	8,279,575
Effect of exempt non operating income	-8,295,414	-16,219,263
Effect of other items not subject of tax	-5,159,677	-10,353,548
Others	1,315,191	-860,359
Total	39,615,567	39,307,150

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018
26. EARNINGS PER SHARE (BASIC & DILUTED)

Particulars	Amount in Rs	
	Year Ended 31st March 2018	Year Ended 31st March 2017
(i) Profit available for Equity Shareholders	147,429,416	129,578,048
(ii) Weighted average number of Equity Shares @ Rs 10 each	11,527,797	11,489,806
(iii) Earnings/(Loss) per share (Rs)	12.79	11.28

27. FINANCIAL INSTRUMENTS
Financial instruments by category

The carrying value and fair value of financial instruments by categories as on March 31, 2018 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in Rs	
					Total Fair Value	
Assets:						
Investments						
In Equity Shares	2,904,441,724	-	137,560,088	3,042,001,812	3,042,001,812	
In Preference shares	615,374,060	-	-	615,374,060	615,374,060	
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000	
In Mutual Funds	-	461,132,898	-	461,132,898	461,132,898	
Loans	3,500,329,617	-	-	3,500,329,617	3,500,329,617	
Cash & cash equivalents	203,176,202	-	-	203,176,202	203,176,202	
Trade receivables	65,325,679	-	-	65,325,679	65,325,679	
Other financial assets	28,267,286	-	-	28,267,286	28,267,286	
Total	7,466,914,568	461,132,898	137,560,088	8,065,607,554	8,065,607,554	
Liabilities:						
Borrowings	-	-	-	-	-	
Trade payables	40,236,684	-	-	40,236,684	40,236,684	
Other financial liabilities	100,301,968	-	-	100,301,968	100,301,968	
Total	140,538,652	-	-	140,538,652	140,538,652	

The carrying value and fair value of financial instruments by categories as on March 31, 2017 are as follows:

Particulars	Amortised Cost	Fair Value through PL	Fair Value through OCI	Total Carrying Value	Amount in Rs	
					Total Fair Value	
Assets:						
Investments						
In Equity Shares	2,904,441,724	-	104,051,579	3,008,493,303	3,008,493,303	
In Preference shares	615,374,060	-	-	615,374,060	615,374,060	
In Tax free bonds	150,000,000	-	-	150,000,000	150,000,000	
In Mutual Funds	-	664,449,739	-	664,449,739	664,449,739	
Loans	3,277,975,549	-	-	3,277,975,549	3,277,975,549	
Cash & cash equivalents	49,585,412	-	-	49,585,412	49,585,412	
Trade receivables	57,612,270	-	-	57,612,270	57,612,270	
Other financial assets	23,703,038	-	-	23,703,038	23,703,038	
Total	7,078,692,053	664,449,739	104,051,579	7,847,193,371	7,847,193,371	
Liabilities:						
Borrowings	-	-	-	-	-	
Trade payables	30,686,630	-	-	30,686,630	30,686,630	
Other financial liabilities	75,688,916	-	-	75,688,916	75,688,916	
Total	106,375,546	-	-	106,375,546	106,375,546	

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018**Fair value hierarchy**

This section explains the estimates and judgements made in determining the fair values of Financial Instruments that are measured at fair value and amortised Level 1 : includes financial instrument measured using quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2 : Includes financial instruments which are not traded in active market but for which all significant inputs required to fair value the instrument are observable. The fair value is calculated using the valuation technique which maximises the use of observable market data.

Level 3: Includes those instruments for which one or more significant input are not based on observable market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2018:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
In Equity Shares	3,042,001,812	137,560,088	-	2,904,441,724
In Preference shares	615,374,060	-	-	615,374,060
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	461,132,898	461,132,898	-	-
Loans	3,500,329,617	-	-	3,500,329,617
Cash & cash equivalents	203,176,202	-	-	203,176,202
Trade receivables	65,325,679	-	-	65,325,679
Other financial assets	28,267,286	-	-	28,267,286
Total	8,065,607,554	598,692,986	150,000,000	7,316,914,568
Liabilities:				
Borrowings	-	-	-	-
Trade payables	40,236,684	-	-	40,236,684
Other financial liabilities	100,301,968	-	-	100,301,968
Total	140,538,652	-	-	140,538,652

The following table presents fair value hierarchy of assets and liabilities measured at fair value as of March 31, 2017:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Assets:				
Investments				
In Equity Shares	3,008,493,303	104,051,579	-	2,904,441,724
In Preference shares	615,374,060	-	-	615,374,060
In Tax free bonds	150,000,000	-	150,000,000	-
In Mutual Funds	664,449,739	664,449,739	-	-
Loans	3,277,975,549	-	-	3,277,975,549
Cash & cash equivalents	49,585,412	-	-	49,585,412
Trade receivables	57,612,270	-	-	57,612,270
Other financial assets	23,703,038	-	-	23,703,038
Total	7,847,193,371	768,501,318	150,000,000	6,928,692,053
Liabilities:				
Borrowings	-	-	-	-
Trade payables	30,686,630	-	-	30,686,630
Other financial liabilities	75,688,916	-	-	75,688,916
Total	106,375,546	-	-	106,375,546

The carrying amount of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair value due to their short term nature and are close approximation of fair value.

The Company's investment in the equity shares of its subsidiaries is recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries as deemed cost as on the date of transition to Ind AS.

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ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018**28. FINANCIAL RISK MANAGEMENT****Financial risk factors**

The Company's activities expose it to a variety of financial risks : market risk, liquidity risk and credit risk.

Market risk

The primary market risk to the Company is foreign exchange risk. The Company is exposed to foreign exchange risk through its purchases from overseas suppliers and payment for services availed in various foreign currencies. The Company pays off its foreign exchange exposure within a short period of time, thereby mitigates the risk of material changes in exchange rate on foreign currency exposure.

The following table analyses foreign currency risk from financial instruments as of 31st March 2018 and 31st March 2017.

Particulars	31st March 2018	31st March 2017
	Amount in Rs	Amount in Rs
Trade payables (USD converted to INR)	3,049,142	12,340,702

For the year ended 31st March 2018 and 31st March 2017, the effect of every percentage point depreciation/appreciation in the exchange rate between the Indian rupee and U.S.dollar, is as under:

	Change in USD Rate	Effect on Profit before Tax	
		31st March 2018	31st March 2017
Appreciation in Exchange Rate	1%	(30,491)	(123,407)
Depreciation in Exchange Rate	-1%	30,491	123,407

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities.

The Company's principle source of liquidity are cash and cash equivalent, cash flows from operations and investment in mutual funds. The Company has no outstanding bank borrowings as on 31st March 2018. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2018:

Particulars	Amount in Rs			
	0-3 Months	3 Months- 1 yr	1-5 years	5-20 years
Borrowings	-	-	-	-
Trade payables	40,236,684	-	-	-
Other financial liabilities	30,949,403	69,352,565	-	-
				Total
				100,301,968

The table below provides details regarding the contractual maturities of financial liabilities as of March 31, 2017:

Particulars	Amount in Rs			
	0-3 Months	3 Months- 1 yr	1-5 years	5-20 years
Borrowings	-	-	-	-
Trade payables	30,686,630	-	-	-
Other financial liabilities	31,049,264	43,065,653	1,574,000	-
				Total
				75,688,916

Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument leading to a financial loss. The company is exposed to credit risk from investments, trade receivables, cash and cash equivalents, loans and other financial assets.

The Company's credit risk is minimised as the Company's financial assets are carefully allocated to counter parties reflecting the credit worthiness.

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ASIAN HOTELS (EAST) LIMITED

CIN: L15122WB2007PLC162762

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31-03-2018**29. CAPITAL MANAGEMENT**

For the purpose of managing capital, Capital includes issued equity share capital and reserves attributable to the equity holders. The objective of the company's capital management are to:

- Safeguard their ability to continue as going concern so that they can continue to provide benefits to their shareholders.
- Maximisation the wealth of the shareholder.
- Maintain optimum capital structure to reduce the cost of the capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

Gearing Ratio is as follows :

Particulars	Amount in Rs	
	31st March 2018	31st March 2017
Net debt		
Total net debt and equity		
Gearing Ratio	9,026,908,404 0.00%	8,385,334,809 0.00%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

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ASIAN HOTELS (EAST) LIMITED
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Notes to Financial Statements for the year ended 31st March 2018

30. C.I.F. Value of Imports :

Particulars	31 st March 2018	31 st March 2017
Stores & Spares	1,009,588	2,005,451
Capital Goods	3,952,248	1,798,562
Beverages –through canalizing agencies	22,327,634	16,487,015
Total	27,289,470	20,291,028

31. Expenditure in Foreign Currency (on payment basis)

Particulars	31 st March 2018	31 st March 2017
Commission & Brokerage	1,61,55,840	20,538,202
Technical Services	1,25,94,517	28,559,523
Advertisement & Publicity	1,22,06,041	13,524,256
Repairs & Maintenance	95,28,294	7,393,477
Recruitment & Training	5,35,028	2,583,767
Others	25,37,168	7,181,671
Total	5,35,56,888	79,780,896

32. Earnings in Foreign Currency (on receipt basis)

Rs 18,79,51,370

33. The Company has paid dividend in respect of shares held by Non-Residents. The total amount remitted in this respect is given herein below:-

Particulars	31 st March 2018	31 st March 2017
Number of Non Resident Shareholders	513	526
Number of Equity Shares held by Non Resident Shareholders	77,42,183	4,576,962
Amount of Dividend Paid	1,54,84,366	9,153,924
Year to which Dividend Relates	2016-2017	2015-16

34. As the Company is engaged in only one segment of Hotel Business, the disclosure requirements of Accounting Standard (Ind AS-108) on "Operating Segment" are not applicable. Further the Company operates only in India; hence additional information under geographical segments is also not applicable.

The Joint Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

35. In the opinion of the Board, all the assets of the Company have a value on realization in ordinary course of business at least equal to the amount at which they are stated. Therefore, the Company has not recognised any loss on impairment in respect of any of the assets of the Company. In respect of subsidiaries, such decision is based on the audited accounts of the subsidiaries.

ASIAN HOTELS (EAST) LIMITED
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Notes to Financial Statements for the year ended 31st March 2018

36. Gratuity and other post-employment benefit plans

The Company has classified the various benefits provided to employees as under:-

1. Defined contribution plans

a. Provident fund

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:-

Particulars	31 st March 2018	31 st March 2017
Employer's Contribution to Provident Fund	6,351,524	5,760,525
Employer's Contribution to Pension Scheme	3,412,455	3,243,013

2. Defined benefit plans

a. Contribution to Gratuity fund

b. Compensated absences Earned leave

In accordance with Indian Accounting Standard 19, Employee Benefits, actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

Economic Assumptions

The discount rate and salary increases assumed are key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 7.80 % p.a. compound, has been used.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to the trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

i. Change in Benefit Obligations:

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017
Present value of obligations as at the beginning of the year	1,75,70,273	15,273,583	5,398,633	3,935,964
Current service cost	16,68,369	26,04,322	12,96,879	2,397,708
Interest cost	12,91,415	12,21,887	3,96,800	314,877
Benefit Paid	(27,17,241)	(1,554,205)	(12,01,657)	(1,437,787)
Actuarial (gain)/ loss on obligation	10,40,641	24,686	(19,38,040)	187,871
Present value of obligations as at the year end	1,88,53,457	1,75,70,273	39,52,615	5,398,633
Current liability	64,96,731	22,67,519	9,10,751	823,775
Non-Current liability	1,23,56,726	1,53,02,754	30,41,864	4,574,858
Total	1,88,53,457	1,75,70,273	39,52,615	5,398,633

ASIAN HOTELS (EAST) LIMITED
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Notes to Financial Statements for the year ended 31st March 2018

ii. Expenses recognized in the Statement of Profit and Loss:

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017
Current Service Cost	16,68,369	26,04,322	12,96,879	2,397,708
Interest Cost	12,91,415	12,21,887	3,96,800	314,877
Actuarial (Gain) / loss recognized during the year	-	-	(19,38,040)	187,871
Expenses recognised in Statement of Profit and Loss	29,59,784	38,26,209	(2,44,361)	2,900,456

iii. Amount recognized in Other Comprehensive Income (OCI):

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017
Actuarial Gain / (loss) recognized during the year	(10,40,641	(24,686)	-	-

iv. Principal Actuarial Assumptions :

Particulars	Refer Note Below	Year ended	Year ended
Discount rate (p.a.)	1	7.80%	7.35%
Salary Escalation Rate	2	6.00%	6.00%

v. A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

Gratuity Plan

Particulars	31-March -18		31-March -18	
	Discount Rate		Future Salary	
Sensitivity Level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined Benefit obligation	(3,22,923)	(3,37,519)	3,41,723	(3,29,814)

vi. A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

Leave

Particulars	31-March -18		31-March -18	
	Discount Rate		Future Salary	
Sensitivity Level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Impact on defined Benefit obligation	(98,828)	1,03,733	1,05,032	(1,00,934)

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Notes to Financial Statements for the year ended 31st March 2018

Maturity Profile of Defined Benefit Obligation

	Particulars	Gratuity 31 st March 2018	Leave 31 st March 2018
a)	0 to 1 Year	64,96,731	9,10,751
b)	1 to 2 Year	16,89,352	5,31,537
c)	2 to 3 Year	14,58,830	4,24,412
d)	3 to 4 Year	12,30,712	3,42,215
e)	4 to 5 Year	13,17,652	2,86,544
f)	5 to 6 Year	30,05,174	2,09,825
h)	6 Year Onwards	36,55,006	12,47,331

Notes:

1. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
2. The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
3. The gratuity plan and earned leave is unfunded.

Demographic assumptions:

- a. Retirement age: 58 years
- b. Mortality rate : Published rates under Indian Assured Lives Mortality (IALM) Ultimate table

37. Leases:

The Company has entered into Operating lease agreements for letting out space. The lease agreements are made for specific period as per agreement. Lease payments received recognized in the Statement of Profit & Loss for the year ended amounted to Rs 15,96,922/-.

The future receipts for operating lease are as follows:

Particulars	31 st March 2018	31 st March 2017
Not Later than 1 year	22,76,743	903600
Later than one year and not later than five years	56,56,698	3836556
Later than five years	-	683076

The Company has entered into leave & license agreement for premises. The lease agreements are made for specific period as per agreement. Lease payments paid are recognized in the Statement of Profit & Loss for the year ended amounted to Rs 186,75,000/-.

The future Payments for operating lease are as follows:

Particulars	31 st March 2018	31 st March 2017
Not Later than 1 year	30,00,000	20,700,000
Later than one year and not later than five years	-	3,450,000
Later than five years	-	-

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Notes to Financial Statements for the year ended 31st March 2018

38. The disclosures relating to Micro, Small & Medium Enterprises Development Act, 2006 are as under :-

- i. The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the Auditors.
- ii. The disclosures relating to Micro and Small Enterprises are as under :-

Particulars	31 st March 2018	31 st March 2017
The principal amount remaining unpaid to supplier as at the end of the accounting year.	5,52,518	276,700
The interest due thereon remaining unpaid to Supplier as at the end of the accounting year.	NIL	NIL
The amount of interest paid in terms of Section 16 alongwith the amount of payment made to the Supplier beyond the appointed day during the year.	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	NIL	NIL
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	NIL	NIL

39. Contingent Liabilities:

Contingent Liabilities	31 st March 2018	31 st March 2017
Corporate Guarantee to IDBI Bank for Robust Hotels Pvt. Ltd.	109,500,000	109,500,000
Corporate Guarantee to HDFC Limited for Robust Hotels Pvt. Ltd.	1,500,000,000	1,500,000,000
Letter of Credit issued by IDBI Bank Ltd. in favour of West Bengal Electricity Distribution Company Limited	8,000,000	8,000,000
Service Tax under the Finance Act, 1994 pertaining to prior to F.Y. 2004-05	4,379,735	4,379,735
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2003-04 to F.Y. 2006-07	5,909,585	5,909,585
Service Tax under the Finance Act, 1994 pertaining to F.Y. 2007-08 to F.Y. 2009-10	26,753,749	26,753,749

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Notes to Financial Statements for the year ended 31st March 2018

Service Tax under the Finance Act, 1994 pertaining to F.Y. 2013-17	7,644,193	7,644,193
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 2004-05	-	2,180,235
ESIC under the Employees' State Insurance Act, 1948 pertaining to F.Y. 1996-97 to F.Y. 2016-17	-	68,080
Sales Tax under West Bengal Sales Tax Act, 1994 pertaining to F.Y. 2012-13	5,683,418	5,683,418
Value Added Tax under West Bengal VAT Act, 2003 pertaining to F.Y. 2012-13	396,345	396,345
Income Tax under the Income Tax Act, 1961 for the F.Y. 2011-12 (the Company has preferred an appeal against the demand)*	16,906,870	16,906,870
Income Tax under the Income Tax Act, 1961 for the F.Y. 2012-13 (the Company has preferred an appeal against the demand)**	12,273,270	12,273,270
Income Tax under the Income Tax Act, 1961 for the F.Y. 2013-14 (the Company has preferred an appeal against the demand)***	12,304,560	12,304,560
Income Tax under the Income Tax Act, 1961 for the F.Y. 2014-15 (the Company has preferred an appeal against the demand)****	69,76,470	-
VAT Under WBVAT Act 2003 for the F.Y 2014-15 (the Company has preferred an appeal against the demand)	1,81,216	-
Others	-	3,644,056

* The Company has paid demand of 14,750,000/- under protest and is included in Long Term Loans & Advances

** The Company has paid demand of 1,841,000/- under protest on 3rd May 2016.

*** The Company has paid demand of Rs. 1,850,000/- under protest on 18th January 2017.

**** The Company has paid demand of Rs 13,96,000/- under protest on 9th Feb 2018

40. Estimated amount of Capital Contracts pending to be executed (Net of Advances – Rs 11,85,900 (Previous Year – Rs. Nil/-))

41. Payments to Auditors

Particulars	31 st March 2018	31 st March 2017
Statutory Audit Fees	700,000	600,000
Tax Audit Fees	150,000	150,000
Fees for other services	35,000	465,000
Reimbursement of Expenses	35,000	143,301
Total	9,20,000	13,58,301

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Notes to Financial Statements for the year ended 31st March 2018

42. As on date, the Company holds 91,652 Equity shares of Rs 10 each of its subsidiaries, Regency Convention Centre and Hotels Limited (RCC), representing 58.99% of the paid up capital of RCC. Apart from the above, the Company had also made an advance of Rs 33,448,275 for acquiring further shares of RCC from their existing shareholders and paid advances to RCC amounting to Rs 1,44,00,474 up to the Balance Sheet date which has been disclosed as current loans and advances.

Principal assets of Regency Convention Centre and Hotels Limited (RCC) comprise of an interest in a piece of land near CSI Airport at Mumbai. The RCC has filed Suit No. 6846 of 1999 in the High Court of Judicature at Bombay against the Airports Authority of India (AAI) & Ors. for specific performance of the agreement to lease 31,000 sq.mtrs. of land at village-Sahar, Andheri (East), Mumbai in its favour for construction of a five star hotel cum convention centre. The recording of evidence of the RCC's witness and the Defendants Nos. 2 to 16 have already been concluded and closed. The suit is pending of recoding of evidence of Defendant No. 1 i.e., AAI and for final arguments. Parties have asked the Court to expedite the matter.

Further, the RCC continues to engage in the dialogues with the parties concerned to amicably settle the disputes and exploring all available options. Considering the nature of dispute & involvement of all parties concerned, the settlement is a complex & difficult one, however, the RCC is hopeful of a positive outcome of its efforts.

43. In accordance with the Indian Accounting Standard on "Related Party Disclosures" (IndAS - 24), the disclosures in respect of Related Parties and transactions with them are as follows: -

Related Party Disclosures

(i) List of Related Parties

(a) Subsidiaries:

GJS Hotels Limited, wholly owned subsidiary
Regency Convention Centre & Hotels Limited
Robust Hotels Private Limited (subsidiary of GJS Hotels Limited)

(b) Key Management Personnel:

Radhe Shyam Saraf, Chairman
Arun Kumar Saraf, Joint Managing Director
Umesh Saraf, Joint Managing Director

(c) Entities over which directors or their relatives can exercise significant influence / control:

- i. Unison Hotels Private Limited
- ii. Unison Hotels South Private Limited
- iii. Juniper Investments Limited
- iv. Vedic Hotels Limited
- v. Nepal Travel Agency Pvt. Ltd., Nepal
- vi. Yak & Yeti Hotels Limited, Nepal
- vii. Chartered Hotels Private Limited
- viii. Chartered Hampi Hotels Private Limited
- ix. Blue Energy Private Limited
- x. Unison Power Limited
- xi. Footsteps of Buddha Hotels Private Limited
- xii. Juniper Hotels Private Limited
- xiii. Samra Importex Private Limited
- xiv. Sara International limited, Hong Kong
- xv. Sara Hospitality Limited, Hong Kong
- xvi. Saraf Hotels Limited, Mauritius
- xvii. Saraf Investments Limited, Mauritius
- xviii. Saraf Industries Limited, Mauritius
- xix. Taragaon Regency Hotels Limited, Nepal
- xx. Salkia Estate Development Pvt Ltd

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Notes to Financial Statements for the year ended 31st March 2018

(ii) Details of Transactions with Related Parties during the year:

Asian Hotels (East) Limited								
Transactions with Related Parties for the period from 1st April 2017 to 31st March 2018								
Transaction during the period	Subsidiary Company		Key Management Personnel		Entities Controlled by Directors or their Relatives		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Dividend Paid								
Force Finance Private Limited	-	-	-	-	-	6,254,144	-	6,254,144
Saraf Industries Limited	-	-	-	-	7,261,260	7,261,260	7,261,260	7,261,260
Padhe Shyam Saraf	-	-	8,598,360	1,143,860	-	-	8,598,360	1,143,860
Travelling Expenses								
Jaipur Hotels Pvt. Ltd.	-	-	-	-	-	172,081	-	172,081
Union Hotels Pvt. Ltd.	-	-	-	-	29,635	202,031	29,635	202,031
Expenses Incurred (Reimbursement)								
Robust Hotels Private Limited	-	-	-	-	-	-	-	-
Chartered/Grand Hotels Private Limited	-	-	-	-	-	-	-	-
Jaipur Hotels Private Limited	-	-	-	-	-	-	-	-
Taraganga Regency Hotels Limited	-	-	-	-	-	-	-	-
Union Hotels Private Limited	-	-	-	-	225,942	204,331	225,942	204,331
Advance Given								
GJS Hotels Limited	2,140,000	636,200	-	-	-	-	2,140,000	636,200
Regency Convention Centre and Hotels Limited	630,000	1,401,000	-	-	-	-	630,000	1,401,000
Robust Hotels Pvt. Ltd.	222,560,000	75,000,000	-	-	-	-	222,560,000	75,000,000
Refund of Advance Given								
GJS Hotels Limited	2,600,000	601,850,000	-	-	-	-	2,600,000	601,850,000
Regency Convention Centre and Hotels Limited	100,000	-	-	-	-	-	100,000	-
Robust Hotels Pvt. Ltd.	-	75,000,000	-	-	-	-	-	75,000,000
Refund of Advance taken								
Robust Hotels Pvt. Ltd.	-	632,000,000	-	-	-	-	-	632,000,000
Managerial Remuneration								
Umpeh Saraf	-	-	17,557,600	12,968,000	-	-	17,557,600	12,968,000
Aswini Saraf	-	-	16,788,795	13,115,000	-	-	16,788,795	13,115,000
Closing Balance as on 31st March 2018								
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Account Receivables								
GJS Hotels Limited	3,229,844,800	3,230,204,800	-	-	-	-	3,229,844,800	3,230,204,800
Regency Convention Centre and Hotels Limited	14,400,474	13,970,474	-	-	-	-	14,400,474	13,970,474
Investments as at year end								
Equity Shares of GJS Hotels Limited	2,346,365,000	2,346,365,000	-	-	-	-	2,346,365,000	2,346,365,000
Equity Shares of Regency Convention Centre and Hotels Limited	267,801,724	267,801,724	-	-	-	-	267,801,724	267,801,724
Equity Shares of Robust Hotels Private Limited	300,175,000	300,175,000	-	-	-	-	300,175,000	300,175,000
Preference Shares of Robust Hotels Private Limited	615,374,060	615,374,060	-	-	-	-	615,374,060	615,374,060

*The Post Employment benefits of KMPs excludes gratuity which cannot be separately identified from the composite amount advised by the actuary

44. The timing difference relating mainly to depreciation and unabsorbed losses result in net deferred credit as per IND AS 12 "Income Taxes". As a prudent measure the net Deferred Tax Assets' relating to the above has not been recognized in the financial statements.

45. The resolution for approval of the Scheme of Arrangement under Sections 230-232 of the Companies Act, 2013 between GJS Hotels Limited (GJSHL), the Company, Robust Hotels Private Limited (RHPL) and their respective Shareholders (the Scheme) was approved at the respective meetings of Equity Shareholders and Unsecured Creditors of the Company on Wednesday, 21st February, 2018 in terms of an Order dated 21st December, 2017 as modified by an Order dated 4th January, 2018 of the Hon'ble National Company Law Tribunal, Kolkata Bench. On 28th March 2018, the Scheme was filed with NCLT, Kolkata Bench for its sanction w.e.f 31st March 2016 being the Appointed Date of the Scheme.

On ~~being~~ the Scheme becoming sanctioned & effective in a future date, 43,00,000 12% Cumulative Redeemable Preference Shares of Rs.100/- issued by RHPL shall stand appropriated towards 3,20,35000 Equity Shares of Rs 10/- each credited as fully paid up in the Company at a premium of Rs 10/- per share & 1,55,00,000 0.1% Unsecured Cumulative Non-Convertible Debentures of Rs.100/- each issued by RHPL shall stand appropriated towards 3,79,75,000 Equity Shares of Rs 10/-each, credited as fully paid up, at a premium of Rs 10/- per share in GJSHL with effect from the Appointed Date & subsequently the Demerged Undertaking of the Company's wholly owned subsidiary GJSHL shall stand demerged to the Company and accordingly RHPL shall become wholly owned subsidiary of the Company.

ASIAN HOTELS (EAST) LIMITED
CIN No. – L15122WB2007PLC162762

Notes to Financial Statements for the year ended 31st March 2018

- 46 Pursuant to the effectiveness of an Order of Calcutta High Court dated 23rd August, 2016 on the Scheme of Amalgamation involving the Company and Forex Finance Private Limited, the Company has become a shareholder of Asian Hotels (West) Limited (AHWL) & holding 4.58% of its paid-up equity share capital.

However, the above shares has become restrained due to an ex-parte Delhi High Court Order dated 19th August, 2015 wherein the court has asked the parties including the Company to maintain status quo on the shares and the Company is enjoined from exercising voting rights arising from the said shares. The Company has challenged the Order and has taken necessary legal actions to protect its rights. The matter is pending before Delhi High Court and the Company is hopeful of a positive outcome.

- 47 Previous Year figures have been regrouped / reclassified, wherever necessary to confirm to current year's classification.

For Singhi & Co.
Chartered Accountants
Firm Registration. No. 302049E

Rajiv Singh

Rajiv Singhi
Partner
Membership No. : 053518
Place : Chennai
Date: 9th May 2018

Arun Kr Saraf

Arun Kr Saraf
Jt. Managing Director
DIN -00339772

A.C Chakraborti

A.C Chakraborti
Director
DIN -00015622

Padam Kr Khaitan

Padam Kr Khaitan
Director
DIN - 00019700

Bimal Kr Jhunjhunwala

Bimal Kr Jhunjhunwala
CFO & Vice President- Corporate Finance

Umesh Saraf

Umesh Saraf
Jt. Managing Director
DIN 00017985

Rama Shankar Jhavar

Rama Shankar Jhavar
Director
DIN -00023792

Rita Bhimani

Rita Bhimani
Director
DIN - 07106069

Saumen Chatterjee

Saumen Chatterjee
Chief Legal Officer & Company Secretary



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ROBUST HOTELS PRIVATE LIMITED AT ITS MEETINGS HELD ON 10TH JULY, 2018 AT CHENNAI 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.

The provisions of Section 230(3) of the Companies Act, 2013 require RHPL to explain to the creditors in the statement accompanying the notice of their meeting, the effect of the Scheme on various stakeholders. This report is adopted by the Board accordingly.

1. 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 Rs.10/- 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.

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)
<i>12% Cumulative Redeemable Preference Shares of RHPL</i>	<i>64.10</i>	<i>43,00,000</i>	<i>149.06</i>	<i>745</i>
<i>0.1% Unsecured Redeemable Non-Convertible Debentures of RHPL</i>	<i>100.62</i>	<i>2,05,00,000</i>	<i>49.09</i>	<i>245</i>

1. 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	RHPL	GJSHL	AHEL
(a) Shareholders	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.	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.

(b) Creditors	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.	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.
(c) Depositors	There are no depositors.	There are no depositors.	There are no depositors.
(d) 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.	There are no debenture holders.	There are no debenture holders.
(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 of RHPL will continue to be employees of RHPL, on the same terms and conditions, as before.	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.

(g) Promoters	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.	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.
(h) Non-promoter members	There are no Non Promoter members of RHPL	There are no Non Promoter members of GJSHL	Same as stated in this column in item (a) above.
(i) Key Managerial Personnel (“KMP”)	KMPs continue to be KMPs of RHPL as before.	KMPs continue to be KMPs of GJSHL as before.	KMPs continue to be KMPs of AHPL as before.
(j) Directors	They will continue to be Directors of RHPL as before.	They will continue to be Directors of GJSHL, as before.	They will continue to be Directors of AHPL, 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:

Robust Hotels Private Limited

sd/-

Umesh Saraf
Director

(DIN: 00017985)

Place: Chennai

Date :10th July, 2018

Statement of shareholdings of the Directors and Key Managerial Personnel of Asian Hotels (East) Limited, GJS Hotels Limited and Robust Hotels Private Limited

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 Manison, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Relatives: HUF: NA Spouse: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Manison, 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 & 27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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 & 27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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 Manison, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Relatives: HUF: NA Spouse: Mr. Radhe Shyam Saraf		Flat D 20/F, Caine Manison, 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 & 27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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: 0.00009123
	Son's wife: Mrs. Namita Saraf & Mrs. Priti Saraf		Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India & 27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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
3.	Mr. Arun Kumar Saraf	Joint Managing Directors	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 Manison, 80-88 Caine Road, Hongkong	32,84,680	Nil
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Manison, 80-88 Caine Road, Hongkong	6,17,347	Nil
	Brother: Mr. Umesh Saraf		27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	24,731	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.00009123
4.	Mr. Umesh Saraf	Joint Managing Directors	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	24,731	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		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	32,84,680	Nil
	Mother: Mrs. Ratna Devi Saraf		Flat D 20/F, Caine Manison, 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	8732	Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
5.	Mr. Amal Chandra 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
None of the relatives are holding / crossholding any shares.					
10.	Mr. Bimal Kumar Jhunjunwala	CFO & Vice-President Corporate Finance	3 rd 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 Jhunjunwala		3 rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	126	Nil

	Daughter: Mrs. Sheetal Gheedia		3 rd 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	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	10	Holding in Asian Hotels (East) Limited No. of Shares : 24,731 % of Holding: 0.21
	Relatives: HUF: NA Spouse: Mrs. Priti Saraf		27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	10	Nil
	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. 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 : 8732 % of Holding: 0.08
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	Additional 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.				
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	CFO	3 rd Floor, Flat No. 11, Block-D, 73, Bangur Avenue, Kolkata - 700055	10	Nil
	Relatives: HUF: NA Spouse: Mrs. Sudha Jhunjhunwala		3 rd 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		3 rd 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	Directors	27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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		27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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. 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 : 8732 % of Holding: 0.08 & Holding in GJS Hotels Limited No. of shares: 10 % of holding: 0.000091233
	None of the relatives are holding / crossholding any shares.				
2.	Mr. Avali Srinivasan	Director	45, Sapthagiri Colony, Jafferkanpet, Chennai - 600083	Nil	Nil

	None of the relatives are holding / crossholding any shares.				
3.	Mr. Arun Kumar Saraf	Directors	Grand Hyatt Residencies, off: Western Express Highway, Santacruz (E), Mumbai, 400055, Maharashtra, India	Nil	Holding in Asian Hotels (East) Limited No. of Shares : 8732 % 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		27-A, Green Avenue Lane, Vasant Kunj, Farm House, New Delhi – 110 070	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
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.				
5.	Mr. Varun Saraf	Director	6 th 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 : 8732 % 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.	Mr. Natarajan Muthulakshmi	CFO	1m kamarajar Thenvadal street, KK Nagar, Madurai - 625 020	Nil	Nil
	None of the relatives are holding / crossholding any shares.				

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	31 st March, 2016
Valuation Date	31 st 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
CROCPS	1% Cumulative Redeemable Optionally Convertible Preference Shares issued by Robust Hotels
Unsecured NCDs	0.1% Non-Convertible Debentures issued by Robust Hotels

NSBP & Co.

- 3 -

Prata & Confidential



CCPS	1% Compulsorily Convertible Preference Shares (erstwhile 1% CROCPs)
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



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.



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.



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

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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.



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. Greenidhi Valuation Consultancy Services, Chennai dated 16th 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.



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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 Fund	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	55.63%
Public	39,61,677	34.37%
TOTAL	1,15,27,797	100.00%



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%



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)	(21.62)

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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8. 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.



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.



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.



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.



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."



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;



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 2015 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)

GIS 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.

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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).



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) :

"... 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

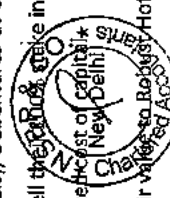
Perpetual value: The perpetuity value has been calculated on the basis of financials of FY 26-27.

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 (GIS Hotels), Debentures at 0.1% Coupon rate which is substantially lower than market rate. Considering that if in future the shareholders intend to sell their 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 * stake in the company to Robust Hotels. 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:



$$WACC = (\text{Cost of Equity} * \text{Shareholders Funds} / \text{Total Funds}) +$$

$$(\text{Cost of Preference} * \text{Preference Share Capital} / \text{Total Funds}) +$$

$$(\text{Cost of Interest Bearing Debt} * \text{Interest Bearing Debt} / \text{Total Funds})$$

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:

$$\text{Cost of equity} = R_f + (R_m - R_f) (\text{Beta})$$

Where,

R_f 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%.

R_m denotes return on diversified market portfolio return. R_m 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.



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

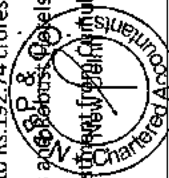
Robust Hotels had issued two classes of Preference Capital:

- 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 into new Cumulative



Redeemable 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.



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. 542.51 crores 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)



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.

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 Entitlement (per 100 units)
12% Cumulative Redeemable Preference Shares	64.10	43,00,000	149.06	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
NSBP & Co.
Chartered Accountants
Membership No: 001075N

Date: 2nd February, 2017

Place: New Delhi

NSBP & Co.

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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 report 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.

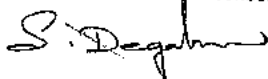
We are informed that though the shell of the property was completed as early as 1998 itself, the construction was stalled owing to financial reasons. The overall construction was eventually completed only in 2007 and the same has been considered as the year of completion for our valuation purposes.

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



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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.
2. 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 of 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.

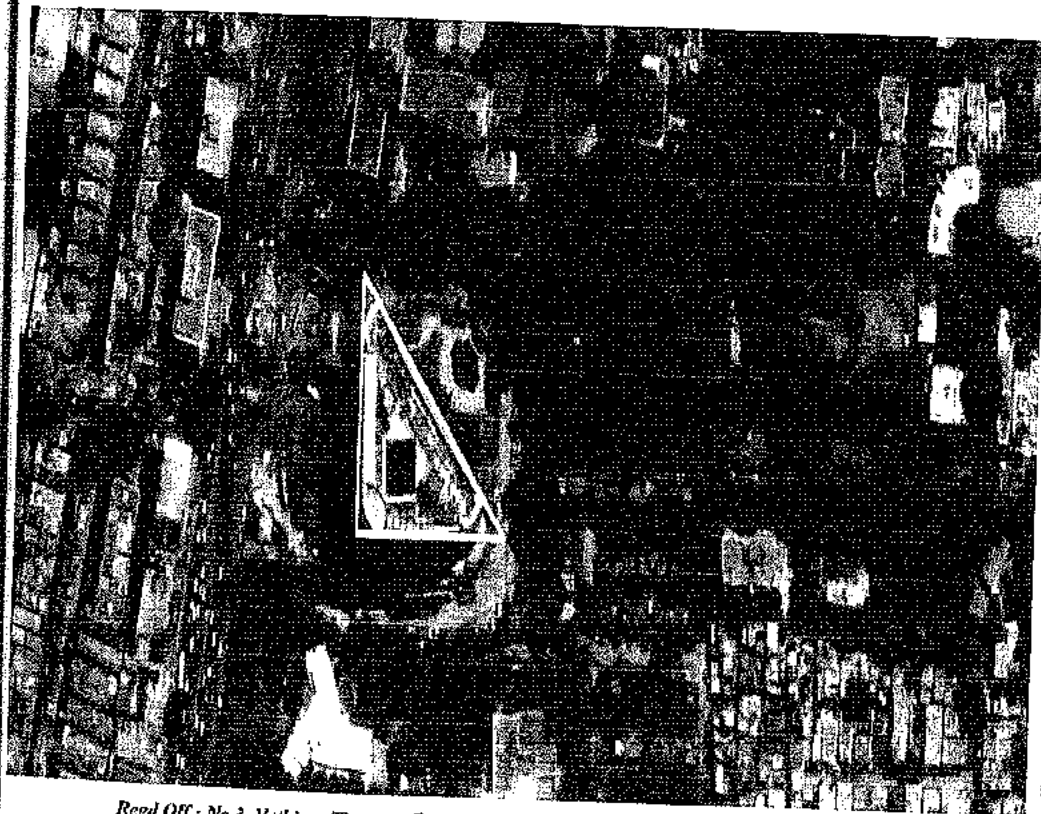
SOME OF THE FEW OTHER HOTELS OF M/s. SARAF HOTEL ENTERPRISES		
S.No	Hotel Name	Location
1	Yak & Yeti	Kathmandu
2	Hyatt Regency Kathmandu	Kathmandu
3	The Grand	New Delhi
4	Hyatt Regency	Kolkatta
5	Grand Hyatt	Mumbai
6	Hyatt	Rajpur
7	Hyatt Place	Hampi
8	Hyatt Regency	Ahmedabad

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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

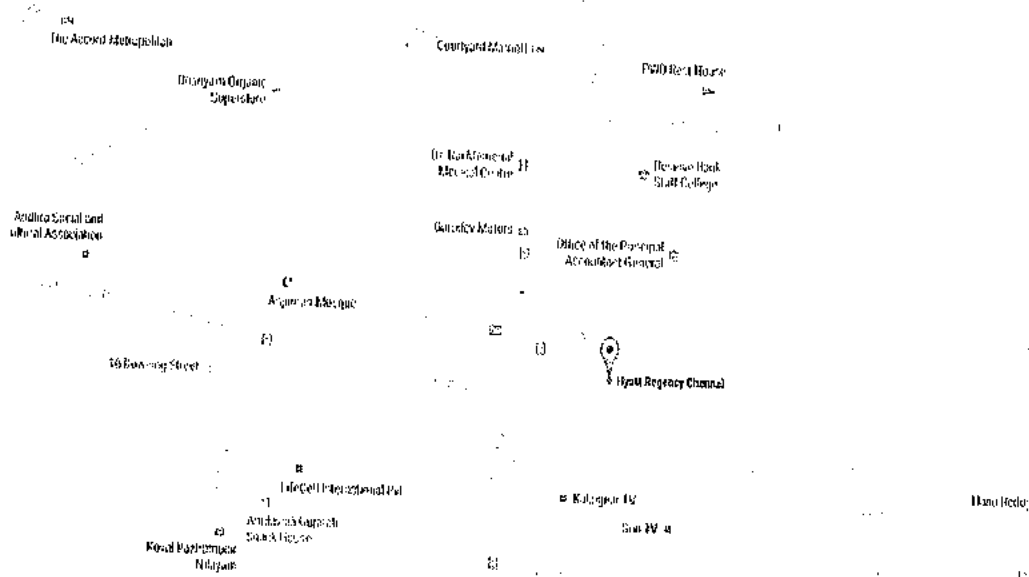
LAND DETAILS :

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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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 artworks that are present in the hotel premises.

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Calculation showing the difference between the market value of the subject property and the value of the comparable property as shown below						
Valuation details - Subject property	Subject property	Comparability	Comparable 1	Comparable 2	Comparable 3	Price/Rate
Location	Tevazampet	Near Ganum Flyover	Cenathop Road	Near Centopth 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 15 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 490 Ft	About 130 Ft	Approx 450 Ft	Approx 80 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.)						
Land extent (Sq.ft)						
Derived Value of land (Rs.)						
Govt Guideline value @ Rs.19,000/- per Sq.ft (Rs.)						

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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(4) *ex. grandis* (Hutchinson) Coville, *ibid.* 1901, p. 104.

Govt. Guideline rates as per Tnreginet.net

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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.

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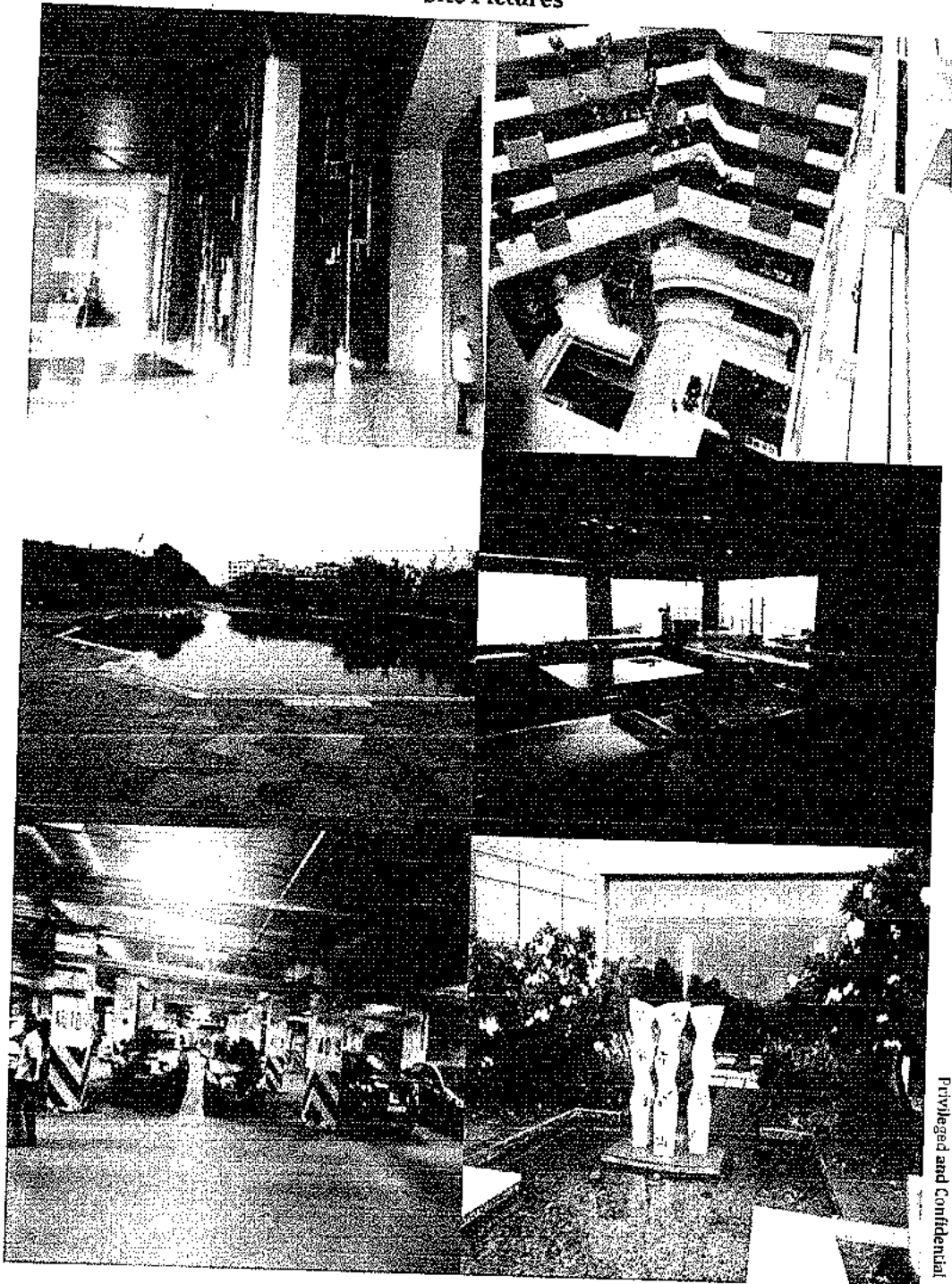

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Site Pictures



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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 ('GJS HL'), 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 NSBP & 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.



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 Bhubaneswar, 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.



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 reviewed 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.



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.

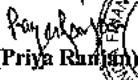
A. Fair value of Equity Share of RHPL: Rs.20/- per share.

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 Rana)
Vice President



Date: 6th February 2017

Place: New Delhi

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: L16122WB2007PLC162762

10th May, 2017

The Manager Listing Department BSE Limited Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Tel: (022-2272 8013) Fax: (022-2272 3121)	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 Scrip Code : 533227	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
 Saumen Chatterjee
 Chief Legal Officer &
 Company Secretary



Encl.: as above

OWNER OF



HYATT
 REGENCY™

ASIAN HOTELS (EAST) LIMITED

Registered Office : Hyatt Regency Kolkata, JA-1, Sector III, Salt Lake City, Kolkata - 700 096, W.B., India

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

CIN: L15122WB2007PLC162762

REPORT ON COMPLAINTS

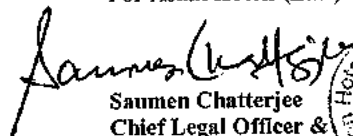
Part A

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



10th May, 2017
Kolkata

OWNER OF



HYATT
REGENCY™



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 websites 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/-

: 2 :

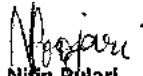
Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- 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-à-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 Rajari
Manager

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

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH**

COMPANY APPLICATION NO.40 OF 2017

In the matter of Section 230 of the Companies Act, 2013

And

In the matter of Scheme of Arrangement between GJS Hotels Limited, Asian Hotels (East) Limited and Robust Hotels Private Limited and their respective shareholders

Robust Hotels Private Limited,
a Company incorporated under the Companies
Act, 1956, having its Registered Office at 365,
Anna Salai, Teynampet, Chennai 600 018
represented by Mr. Thanikachalam Tenampet
Natarajan, Company Secretary

.....Applicant

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 Robust Hotels Private 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 Robust Hotels Private Limited to be held on Tuesday, 21st August, 2018 at 12:00 Noon at 365, Anna Salai, Teynampet, Chennai 600 018 for the purpose of considering and if thought fit, approving with or without modification, the proposed Scheme of 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 J&M Legal at No.5, 2nd Floor, 8th Street, Dr. R. K. Salai, Chennai - 600004 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.

ROBUST HOTELS PRIVATE LIMITED

CIN: U55101TN2007PTC062085

Regd. Office: 365, Anna Salai, Teynampet, Chennai – 600 018

Phone No.: (044) 61001234 Fax: (044)24338320

Website: www.ahleast.com E-mail: thanika@sarafhotels.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 Tuesday, 21st August, 2018, at Hyatt Regency Chennai, JA-1, 365, Anna Salai, Teynampet, Chennai – 600 018

at 12:00 Noon pursuant to the order of the Hon'ble National Company Law Tribunal, Chennai Bench.

Name and Address of the Unsecured Creditor :

Name of the proxy holder/

Authorised representative, if any : _____

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.



ROUTE MAP OF VENUE OF MEETING